

October 25, 2004

9000-2600/2700-32640-02
OGC - 04306

Randy Wolsey
Orefyn Energy Advisors Corp.
PO Box 6100
Fort St. John, BC V1J 4H6

Dear Mr. Wolsey:

**RE: APPLICATIONS FOR SALT WATER DISPOSAL
OREFYN E BLUEBERRY d-96-K/94-A-12; WA 10702**

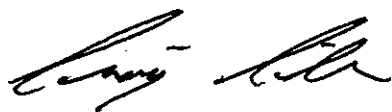
The Commission has reviewed your applications dated September 22, 2004 requesting permission to dispose of produced water into the Bluesky and Gething formations of the subject well.

The subject well has already been approved for salt water disposal in the Dunlevy formation. Although the Bluesky and Gething formations appear to be of poor reservoir quality they may add incremental injection capacity. Notice of your applications was published in two issues of the BC Gazette with October 21, 2004 being the last date for any valid objections. No written objections were received.

Attached are Approvals 04-02-013 and 04-02-014 for the applications granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation* for the Bluesky and Gething formations.

Please note that a spinner survey or separate injectivity tests must be completed, to identify appropriate allocation factors for disposal, prior to commencement of commingled operations.

Sincerely,



Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 9

- Wellfile (originals)
- 59240
- Dally
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- R. Slocomb
- D. Krezanoski

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291
Location: 6th Fir 1810 Blanshard St. Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744
www.ogc.gov.bc.ca

APPROVAL 04-02-013

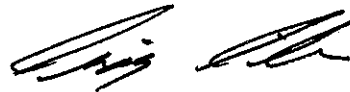
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Orefyn Energy Advisors Corp. (Orefyn) for Salt Water Disposal (SWD) in the Bluesky formation in the well Orefyn E Blueberry d-96-K/94-A-12 (WA# 10702).

NOW, THEREFORE, pursuant to Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, the SWD scheme is hereby approved, as such scheme is described in

an application from Orefyn to the Commission dated September 22, 2004.

1. The water disposal interval must be in the Bluesky formation.
2. A record of volume of salt water disposed of through this well must be included on a Monthly Injection/Disposal Statement, in the prescribed form (BC-S18), which must be submitted to the Oil and Gas Commission not later than the 25th day of the month following the reported month.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
4. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.



Craig Gibson
Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 25th day of October 2004.

APPROVAL 04-02-014

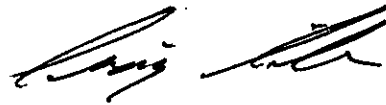
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Orefyn Energy Advisors Corp. (Orefyn) for Salt Water Disposal (SWD) in the Gething formation in the well Orefyn E Blueberry d-96-K/94-A-12 (WA# 10702).

NOW, THEREFORE, pursuant to Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, the SWD scheme is hereby approved, as such scheme is described in

an application from Orefyn to the Commission dated September 22, 2004.

1. The water disposal interval must be in the Gething formation.
2. A record of volume of salt water disposed of through this well must be included on a Monthly Injection/Disposal Statement, in the prescribed form (BC-S18), which must be submitted to the Oil and Gas Commission not later than the 25th day of the month following the reported month.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
4. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.



Craig Gibson
Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this th25 day of October 2004.