

January 9, 2007 9000-7500-32640-02

Rabih Chaar Penn West Petroleum Ltd. Suite 2200, 425 – First Street S.W. Calgary, AB T2P 3L8

Dear Mr. Chaar:

RE: SALT WATER DISPOSAL/INJECTIVITY TEST Penn West Desan d-86-H/94-P-6, (WA# 17300); Shunda Formation

The Commission has reviewed your application dated December 8, 2006 requesting permission to conduct a temporary injectivity test into the Shunda formation of the subject well.

Your request for temporary injectivity is considered appropriate, as it will provide necessary information about the disposal capability in the wellbore. Following completion, and prior to injection, an attempt should be made to flow the well to test any hydrocarbon potential.

Approval for temporary injectivity test is hereby granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, subject to the following conditions;

- 1. The test water disposal interval must be in the Shunda formation.
- 2. The total volume of injected water must not exceed 100 m³.
- 3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that a notice of your application for salt water disposal appeared in the December 21 and 28, 2006 issues of the BC Gazette. Formal approval may be granted only if no objections are received by January 11, 2007.

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch