

OIL AND GAS COMMISSION

November 20, 2008

8157-2600-32640-02

H. Darren Evans, P.Eng. Engineering Manager Storm Exploration Inc. 800, 205 – 5<sup>th</sup> Avenue S.W. Calgary, Alberta T2P 2V7

Dear Mr. Evans:

## RE: WATER INJECTIVITY TEST; BLUESKY FORMATION STORM EXP TOWER 4-12-81-17 W6M; (WA# 18308)

The Commission has reviewed your request, dated November 18, 2007, for permission to conduct an injectivity test into the Bluesky formation of the subject well, to access suitability for disposal operations and possible stimulation requirements.

The well 4-12 was previously approved for produced water disposal into the Cadomin formation. Circumstantial evidence would indicate that this location is prospective for water disposal in the Bluesky.

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

- 1. The test injection interval must be in the Bluesky formation.
- 2. Prior to injection, a production test must be attempted to evaluate hydrocarbon potential.
- 3. The total volume of injected water must not exceed  $500 \text{ m}^3$ .
- 4. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that a notice of your application has been posted to the OGC website, with December 11, 2008 as the closing date for any objections to be filed. Final approval will not be issued until completion results are reviewed by this office.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

for Richard Slocomb, P.Eng. Supervisor, Reservoir Engineering Resource Conservation