Oil and Gas Commission

December 14, 1998

740-7100-32640-02

Approval Letters '

Mr. David P. Meeks, P. Eng. Western Oil and Gas Business Unit Wascana Energy Inc. P.O. Box 2727, Station M Calgary, AB T2P 5C1

Dear Mr. Meeks:

RE: APPLICATION FOR SALT WATER DISPOSAL Wascana Beaver b-A19-K/94-N-16 (WA# 11413)

This refers to your application dated November 18, 1998 requesting disposal of produced water into the Mattson formation of the subject well.

We concur that the well b-A19-K/94-N-16 is a good candidate for salt water disposal in the Mattson formation. There are no subsurface rights issues as you had submitted letters of permission from the holders of the mineral leases that may be affected. Therefore, we wish to advice that your application is approved as submitted.

Attached is Approval 98-02-008 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

Bou van Oort, P. Eng.

Director

Engineering and Geology Branch

Attachment

cc: Petroleums Lands Branch

Ministry of Energy and Mines

APPROVAL 98-02-008

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 Wascana Energy Inc. (Wascana) for Salt Water Disposal (SWD) in the Mattson formation in the well Wascana Beaver b-A19-K/94-N-16 (WA# 11413).

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 Wascana to the Commission dated November 18, 1998.

- 1. The water disposal interval must be in the Mattson 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 This approval may be modified or rescinded if deemed appropriate through a change in circumstances.

Bou van Oort, P.Eng.

Director

Engineering and Geology Branch

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this ______day of December, 1998.