



February 19, 2009

9000-1680-32640-02

Don Babiuk
Liard Production Project Manager
Apache Canada Ltd.
1000, 700 – 9th Avenue S.W.
Calgary, AB T2P 3V4

Dear Mr. Babiuk:

RE: WATER INJECTIVITY TEST; SIKANNI FORMATION
APACH PATRY c-A30-A/94-O-12, (WA# 25140)

The Commission has reviewed your “pre-application”, dated January 13, 2009, requesting permission to dispose of water into the Sikinni formation of the subject well. Regulatory pre-assessment of the application is expected to expedite activity during the limited period of accessibility.

Circumstantial evidence would indicate that this location is prospective for water disposal in the Sikanni formation. Testing of this zone, including an injection test, will be required to determine suitability for disposal well operation.

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 Sikanni 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 300 m³.
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 March 12, 2009 as the closing date for any objections to be filed. Final approval will not be issued until well results, in a supplemental application, are reviewed by this office.

Sincerely,

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

RESOURCE CONSERVATION

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St. Victoria BC