

February 8, 2007 2000-4100-32640-02

Niels Versfeld, B.Sc. Team Lead, Environment & Regulatory Planning CCS Energy Services Watermark Tower 24th Floor, 530 - 8 Avenue SW Calgary, AB T2P 3S8

Dear Mr. Versfeld:

RE: WATER INJECTIVITY TEST - EXTENSION CCS Boundary A16-13-84-14 W6M (WA# 9929); BALDONNEL FORMATION

The Commission has reviewed your application dated February 6, 2007 requesting permission to conduct a second water injectivity test into the Baldonnel formation of the subject well.

Your request for temporary injectivity is considered appropriate, as it will provide necessary information to determine the well's capability during the start-up and commissioning of your disposal facility.

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 injection interval must be in the Baldonnel formation.
- 2. The total volume of injected water must not exceed 500 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/non-special waste disposal was published in the January 18 and 25, 2007 issues of the BC Gazette. Formal approval may be granted only if no valid objections are received by the closing date of February 8, 2007.

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch