

July 22, 2010

9000-7400-32640-02

Richard Sunde, G.I.T. Operations Geologist EnCana Corporation 150 – 9<sup>th</sup> Avenue SW P.O. Box 2850 Calgary, AB T2P 2S5

Dear Mr. Sunde:

RE:

WATER INJECTIVITY TEST

ECA KIWIGANA b-014-D/094-O-07 (WA# 25862); DEBOLT FORMATION

The Commission has reviewed your application, dated June 22, 2010, requesting permission to conduct a temporary injectivity test into the Debolt formation of the subject well.

The subject well was rig released February 2010, but has not yet been completed in the Debolt formation. The Debolt is a candidate for disposal of produced water from shale gas operations in the area. Circumstantial evidence would indicate that this location is prospective for water disposal in the Debolt 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 Debolt 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 1000 m<sup>3</sup>.
- The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Prior to injection, please contact the undersigned at (250) 419-4430 if any hydrocarbons are encountered when conducting the production test.

Notice of your application for salt water disposal has been posted to the OGC website, with August 12, 2010 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