

February 19, 2010

9045-7400-32640-02

David Scarpino, P.Eng.
Exploitation Engineer
Nexen Inc.
801 – 7th Ave SW
Calgary, AB T2P 3P7

Dear Mr. Scarpino:

RE: WATER INJECTIVITY TEST
NEXEN INC HZ ETSHO b-H18-I/94-O-08 (WA# 25945); DEBOLT FORMATION

Commission staff have reviewed your application, dated February 8, 2010, requesting permission to conduct a temporary injectivity test into the Debolt formation of the subject well.

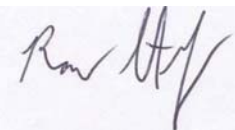
This well is being drilled in support of an Experimental Scheme for shale gas production and may be used as a water source well to supplement fracture fluid requirements, as well as provide additional disposal capacity. Circumstantial evidence would indicate that this location is prospective for water disposal in the Debolt formation. Injection and production tests will determine suitability for disposal 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. The total volume of injected water must not exceed 300 m³.
3. A production test must be attempted to evaluate hydrocarbon potential.
4. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that notice of an application for produced water disposal will be posted to the OGC website, 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,

for 

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering