

OIL AND GAS COMMISSION

January 24, 2008

5180-8400-32640-02

Kathy Cheung, EIT Reservoir Engineer Clarke Lake/Klua Area Petro-Canada Oil and Gas PO Box 2844 Calgary, Alberta T2P 3E3

Dear Ms. Cheung:

RE: WATER INJECTIVITY TEST <u>CNRL KLUA d-94-C/94-J-9 (WA# 9597); Slave Point & Keg River Formations</u>

Commission staff have reviewed your application, dated December 14, 2007, and supplemental submission dated January 23, 2008, requesting permission to dispose of produced salt water into the Slave Point and Keg River formations of the subject well.

This well was drilled and abandoned in 1996, the objective Slave Point formation being wet. Petro-Canada Oil & Gas has proposed to re-enter and drill a new horizontal leg for operation as a disposal well. The targeted interval is below the estimated regional gas-water contact. The nearest off-setting wells are PC Klua d-74-C/94-J-9;WA# 3894 (Klua – Slave Point "D" pool) and PC et al Klua c-14-F/94-J-9;WA# 4211 (Klua – Slave Point "E" pool). Recovery of the remaining gas reserves from these pools should not be negatively affected by disposal at the proposed location and depth.

Your request for temporary injectivity is considered appropriate, as it will provide necessary information to determine if the reservoir is suitable for water disposal.

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 Slave Point/Keg River formations.
- 2. The total volume of injected water must not exceed 1,000 m³.
- 3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

A public notice of the application for salt water disposal concluded on January 8, 2008, with no objections received. Formal approval may be granted following submission of the results of the injectivity test.

Sincerely,

for 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