

July 19, 2007

5600-4150-32640-02

Debra Ryan, CET Engineering Technologist Thunder Energy Trust Suite 400, 321-6th Avenue SW Calgary, Alberta T2P 3H3

Dear Ms. Ryan:

RE: APPLICATION FOR SALT WATER DISPOSAL THUNDER FORTE LAPRISE d-10-D/94-H-05, (WA# 16258);

Baldonnel/Upper Charlie Lake Formation

The Commission has reviewed your application, dated April 18, 2007, requesting permission to dispose of produced water into the Baldonnel formation of the subject well.

The Commission designates the zone under application to be the Baldonnel/Upper Charlie Lake formation. The subject well was completed in the Baldonnel/Upper Charlie Lake zone in December 2003 and placed on production. The well has produced 10.1 10⁶ m³ of gas and is currently producing at a gas rate of 6.0 m³/d. Liquid loading problems within the wellbore has required the installation of a plunger lift system and the well is only producing four hours per day. Furthermore, the well intersected the Baldonnel in a relatively low structural position in the extreme south end of the pool and as such overall pool hydrocarbon recovery is not expected to be impaired by salt water disposal operations.

We concur that the subject well appears to be a good candidate for salt water disposal in the Baldonnel/Upper Charlie Lake formation. No objections were received following the posting of a notice of your application on the OGC website.

Attached is Approval 07-02-003 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch

Attachment

APPROVAL 07-02-003

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a scheme of Thunder Energy Trust (Thunder) for Salt Water Disposal (SWD) in the Laprise Creek field Baldonnel/Upper Charlie Lake formation in the well Thunder Forte Laprise d-10-D/094-H-05 (WA# 16258).

NOW, THEREFORE, pursuant to Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, the SWD scheme is hereby approved, as such scheme is described in

an application from Thunder to the Commission dated April 18, 2007.

- 1. The water disposal interval must be in the Baldonnel/Upper Charlie Lake formation.
- 2. A record of volume of salt water disposed of through this well must be included on a Monthly Injection/Disposal Statement, in the prescribed form (BC-S18), which must be submitted to the Oil and Gas Commission not later than the 25th day of the month following the reported month.
- 3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
- 4. The Commission must be notified in writing of the date of commencement of produced water disposal.
- 5. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.

Doug McKenzie

Director

Resource Conservation Branch

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this __19th __day of July 2007.