

December 9, 2005

5150-8400-32640-02
OGC – 05349

Darren Evans, P.Eng.
Senior Operations Engineer
Storm Exploration Inc.
Suite 3300
205 - 5th Avenue SW
Calgary, Alberta T2P 2V7

Dear Mr. Evans:

RE: SALT WATER DISPOSAL APPLICATION
Storm Exp Junior c-98-C/94-I-11, (WA# 926); Slave Point Formation

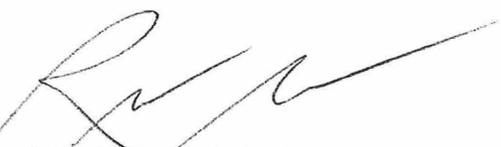
The Commission has reviewed your application dated November 10, 2005 requesting permission to dispose of produced water in the Slave Point formation of the subject well.

Your request for water disposal is considered premature at this time, as it is considered probable that water coning may have occurred during the production period. The well was producing gas at 21 10³ m³/d with high water gas ratio prior to the well being shut-in in July 1991. It is possible that this cone may have diminished allowing for the production of further gas reserves. Therefore, following completion, an extended flow test to evaluate gas production potential is required. Results of such a flow test should be submitted to the Commission.

Please note that your application for continuous salt water disposal would be considered appropriate if the gas rate rapidly depletes and the well produces substantial quantities of formation water. Also, if the well is shown to be uneconomic, approval for water disposal may be considered appropriate under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Notice of your application will be published in the BC Gazette. Formal approval may be granted only if no objections are received by the closing date of the notice.

Sincerely,


Richard Slocomb, P.Eng.
A/Director
Resource Conservation Branch

Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.

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<input type="checkbox"/>	Daily	<input type="checkbox"/>	J. Pickell
<input type="checkbox"/>	Wellfile	<input type="checkbox"/>	D. Krezanoski
<input type="checkbox"/>	59240	<input type="checkbox"/>	L. Miller
<input checked="" type="checkbox"/>	R. Slocomb	<input type="checkbox"/>	Resource Rev.
<input type="checkbox"/>	R. Stefik	<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	G. Farr		

RESOURCE CONSERVATION BRANCH

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