



December 22, 2000

5500-6200-32640-02  
OGC – 000298

Mr. Kevin Jensen, P. Eng.  
Senior Petroleum Engineer,  
Murphy Oil Company Limited  
P.O. Box 2721  
Calgary, AB T2P 3Y3

Dear Mr. Jensen:

**RE: APPLICATION FOR SALT WATER DISPOSAL  
Murphy Beau Shell Ladyfern b-17-I/94-H-1; WA 12431**

The Commission has reviewed your application dated November 17, 2000 requesting permission to dispose of produced water into the Belloy formation of the subject well.

We concur that the well b-17-I/94-H-1 is a good candidate for salt water disposal into the Belloy formation. Notice of your application was published in two issues of the BC Gazette. As no written objections were received, your application is approved as submitted.

Attached is Approval 00-02-011 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

Craig Gibson, P. Eng.  
Manager  
Reservoir Engineering and Geology

Attachment

Approval Letters to Industry  
GEP, SWD, CONCURRENT PROD,  
PRESSURE MAINTENANCE,  
WATERFLOOD, ETC.

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- D. Krezanoski

**ENGINEERING AND GEOLOGY BRANCH**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291  
Location: 6<sup>th</sup> Flr 1810 Blanshard St. Victoria BC

**APPROVAL 00-02-011**

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

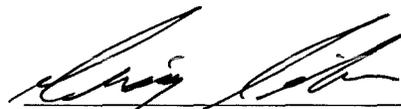
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IN THE MATTER of a scheme of Murphy Oil Company Limited (Murphy) for Salt Water Disposal (SWD) in the Belloy formation in the well Murphy Beau Shell Ladyfern b-17-I/94-H-1 (WA# 12431).

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 Murphy to the Commission dated November 17, 2000.*

1. The water disposal interval must be in the Belloy formation (1260.0-1283.0 mKB).
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. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.



Craig Gibson  
Manager  
Reservoir Engineering and Geology  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 22<sup>nd</sup> day of December, 2000.