



June 5, 2000

4300-2700-32640-02
OGC - 000168

Mr. David Mitchell, P. Eng.
Exploitation Engineer,
BC Resources Team
Union Pacific Resources Inc.
Fifth Avenue Place 425 1st Street SW
Calgary, AB T2P 4V4

Dear Mr. Mitchell:

**RE: APPLICATION FOR SALT WATER DISPOSAL
UPRI Tarragon Graham a-85-K/94-B-8; WA 8251**

The Commission has reviewed your application dated March 10, 2000 requesting disposal of produced water into the Gething formation of the subject well.

Included in your application was a letter of objection from Alsask Energy Services Inc. (Alsask) indicating that the proposed disposal zone in the a-85-K may potentially be productive on lands held by Alsask. The Commission has reviewed the seismic data submitted separately by UPRI. The Commission believes that the available geological and geophysical data supports the premise that the proposed disposal zone is not in reservoir continuity to the Gething zone over the lands held by Alsask. Accordingly, the Commission has concluded that there is no technical justification for the objection of Alsask.

We concur that the well a-85-K/94-B-8 is a good candidate for salt water disposal into the Gething 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 00-02-007 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

Cc: Dennis Sokoloski
Alsask Energy Services Inc.

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

Copy 10

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

ENGINEERING AND GEOLOGY BRANCH

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APPROVAL 00-02-007

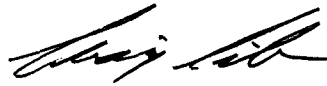
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Union Pacific Resources Inc. (UPRI) for Salt Water Disposal (SWD) in the Gething formation in the well UPRI Tarragon Graham a-85-K/94-B-8 (WA# 8251).

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 UPRI to the Commission dated March 10, 2000.

1. The water disposal interval must be in the Gething 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. 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 5th day of June, 2000.