

November 25, 1996

WA 9684 961204

Mr. Dennis Taylor Senior Engineering Technologist Calahoo Petroleum Ltd. Suite 400, 407 - 2nd Street S.W. Calgary, AB T2P 2Y3

Dear Mr. Taylor:

RE: APPLICATION FOR SALT WATER DISPOSAL Calahoo Ft. St. John 10-35-83-18 W6M; WA 9684

This refers to your application dated September 26, 1996, wherein a scheme for salt water disposal in the Baldonnel Formation of the subject well was requested.

Attached is Approval 96-02-006 for the application granted under section 116 of the *Petroleum and Natural Gas Act.*

Yours sincerely,

for B. van Oort, P. Eng.

Director

Engineering and Operations Branch

Attachment

cc: D.L. Johnson

Manager, Field Office

Fort St. John

Peter Ostergaard

Assistant Deputy Minister Energy and Minerals Division

Ministry of Employment and Investment

Engineering and Operations Branch Mailing Address: PO Box 9326 Stn Prov Govt Victoria BC V8W 9N3 Location: Sixth Floor 1810 Blanshard Street Victoria

Copies for Approval Letters to Industry (10)

D.L. Johnson

G. Farr D. Richardson S. Chicorelli

Daily Well File 59070-04

P.S. Attariwala R.G. Stefik

Resource Revenue

APPROVAL 96-02-006

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PETROLEUM AND NATURAL GAS ACT (the "Act") THE PROVINCE OF BRITISH COLUMBIA MINISTRY OF EMPLOYMENT AND INVESTMENT ENERGY AND MINERALS DIVISION

IN THE MATTER of a scheme of Calahoo Petroleum Ltd. (the "Operator") for Salt Water Disposal (SWD) in the Baldonnel Formation in the well Calahoo Ft. St. John 10-35-83-18 W6M (WA 9684).

The Minister of Employment and Investment, pursuant to section 116 of the Act, hereby orders as follows:

- 1. The SWD scheme of the Operator for disposal of produced water in the Baldonnel Formation at well 10-35-83-18 W6M as such scheme is described in the application from the Operator to the ministry dated September 26, 1996 is hereby approved, subject to terms and conditions herein contained.
- 2. The water disposal interval must be in the Baldonnel Formation.
- 3. 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, which should be submitted to the Energy and Minerals Division not later than the 25th day of the month following the reported month.
- 4. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
- 5. This approval may be modified or rescinded at a later date if deemed appropriate through a change in circumstances.

Blair Redlin, on behalf of the

Minister of Employment and Investment

DATED AT the City of Victoria, in the Province of British Columbia, this 25 th day of November, 1996.