



November 25, 1996

WA 3964
961203

Mr. Harvey Hansen
Production Superintendent
Blue Range Resources Corporation
1100, 801 - 6 Avenue S.W.
Calgary, AB T2P 3W2

Dear Mr. Hansen:

RE: APPLICATION FOR SALT WATER DISPOSAL
Blue Range Silver b-6-D/94-H-11; WA 3964

This refers to your application dated September 25, 1996, wherein a scheme for salt water disposal in the Halfway Formation of the subject well was requested.

Attached is Approval 96-02-005 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

Copies for Approval Letters to Industry (10)
D.L. Johnson
Resource Revenue
P.S. Attariwala
R.G. Stefik
G. Farr
D. Richardson
S. Chicorelli
Daily
Well File
59070-04

Peter Ostergaard
Assistant Deputy Minister
Energy and Minerals Division

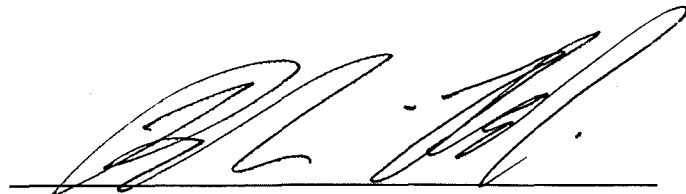
APPROVAL 96-02-005

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 Blue Range Resource Corporation (the "Operator") for Salt Water Disposal (SWD) in the Halfway Formation in the well Blue Range Silver b-6-D/94-H-11 (WA 3964).

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 Halfway Formation at well b-6-D/94-H-11 as such scheme is described in the application from the Operator to the ministry dated September 25, 1996 is hereby approved, subject to terms and conditions herein contained.
2. The water disposal interval must be in the Halfway 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 This approval may be modified or rescinded at a later date if deemed appropriate through a change in circumstances.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
25th day of November, 1996.