



December 20, 2006

3200-8400-32640-02

Christine Mercier
Reservoir Engineer
Fort Nelson Asset Team
Petro-Canada Oil and Gas
PO Box 2844
Calgary, Alberta T2P 3E3

Dear Ms. Mercier:

RE: WATER INJECTIVITY TEST
PC HZ CLARKE c-80-L/94-J-9, (WA# 9992); Slave Point Formation

The Commission has reviewed your application dated December 18, 2006 requesting permission to conduct a temporary water injectivity test into the Slave Point formation of the subject well.

Evaluation by Commission staff indicates that this zone was completed and produced for 4 months during 1997 prior to being suspended due to excessive water production. An additional attempt was made to obtain commercial Slave Point gas production from this well in 1998 by drilling horizontally to a structurally higher position within the formation. These efforts were also deemed unsuccessful.

The Commission does not generally recommend water disposal above the original gas/water contact. However, extensive efforts to obtain commercial gas production from this well have been unsuccessful, likely due to its proximity to the southern edge of the pool, which suggest there would be negligible impact to overall hydrocarbon recovery from this pool. Consequently your request for temporary injectivity is considered appropriate, as it will provide necessary information to determine if the reservoir is suitable for water disposal.

Approval for temporary injectivity test is hereby granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, subject to the following conditions;

1. The test injection interval must be in the Slave Point formation.
2. The total volume of injected water must not exceed 350 m³.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

2...

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

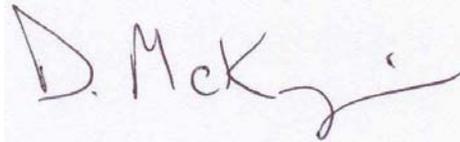
Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744 www.ogc.gov.bc.ca

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Please note that a notice of an application for salt water disposal, once received, would be published in the BC Gazette. Formal approval may be granted only if no valid objections are received by the closing date of the notice.

Sincerely,

A handwritten signature in black ink that reads "D. McKenzie". The signature is written in a cursive style with a long horizontal flourish at the end.

Doug McKenzie
Director
Resource Conservation Branch

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