

March 27, 2009

9000-7450-32640-02

Darren Munn, P.Eng.
Manager, Engineering
Stone Mountain Resources Ltd.
Sun Life Plaza, West Tower
2800, 144 - 4th Avenue S.W.
Calgary AB T2P 3N4

Dear Mr. Munn:

**RE: WATER INJECTIVITY TEST
SMR TATTOO C-C068-B/094-O-15 (WA# 25340); ELKTON FORMATION**

The Commission has reviewed your application dated March 25, 2009, requesting permission to conduct a temporary injectivity test into the Elkton formation of the subject well.

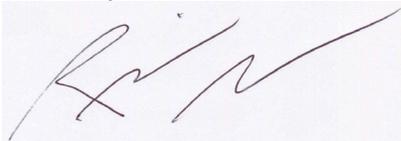
The subject well was recently drilled and completed open hole in the Elkton formation. No hydrocarbons were recovered during swab testing, indicating there is no economic hydrocarbon potential in the Elkton formation of the subject well.

Your request for temporary injectivity is considered appropriate, as it will provide necessary information to determine if the well is suitable for produced 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 Elkton (695.0 – 775.0 mKB).
2. The total volume of injected water must not exceed 500 m³.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.

Please note that a notice of an application for salt water disposal, once received, will be posted on the OGC website. Formal approval may be granted only if no objections are received by the closing date of the notice.

Sincerely,



Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering
Resource Conservation