January 20, 2003

9000-2900-32640-02 OGC - 03017

Randy Wolsey Orefyn Energy Advisors Corp. Box 1388 Okotoks, AB T0L 1T0

Dear Mr. Wolsey:

RE: APPLICATION FOR SALT WATER DISPOSAL OREFYN E BLUEBERRY d-96-K/94-A-12; WA 10702

The Commission has reviewed your application dated December 17, 2002 requesting permission to dispose of produced water into the Dunlevy formation of the subject well.

We concur that the subject well appears to be a good candidate for salt water disposal in the Dunlevy formation. Notice of your application was published in two issues of the BC Gazette with January 16, 2003 being the last date for any valid objections. As no written objections were received, your application is approved.

Attached is Approval 03-02-001 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation* for the Dunlevy formation.

Based on log interpretation, there is a possibility that the Dunlevy may be gas bearing. Therefore, it is recommended that the well be swab tested to confirm fluid type in the reservoir prior to conversion to salt water disposal service.

Sincerely,

Craig Gibson, P. Eng.

Manager

Reservoir Engineering and Geology

Attachment

PRI	proval Letters to Industry P, SWD, CONCURRENT PROI ESSURE MAINTENANCE, TERFLOOD, ETC.	D,
	Wellfile (originals) 59240	
-, .	Daily Resource Revenue	
	S. Chicorelli R. Stefik	
	G. Farr P. Attariwala	•
	D. Krezanoski	

ENGINEERING AND GEOLOGY BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291 Location: 6th Fir 1810 Blanshard St. Victoria BC

APPROVAL 03-02-001

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 Orefyn Energy Advisors Corp. (Orefyn) for Salt Water Disposal (SWD) in the Dunlevy formation in the well Orefyn E Blueberry d-96-K/94-A-12 (WA# 10702).

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 Orefyn to the Commission dated December 17, 2002.

- 1. The water disposal interval must be in the Dunlevy formation, within the interval of 1342.5 1364.0 mKB.
- 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 20 day of January 2003.