

February 1, 2011

4700-7400-32640-02

Sheri Tourigny  
Penn West Petroleum Ltd.  
200, 207 – 9<sup>th</sup> Ave S.W.  
Calgary AB T2P 1K3

Dear Ms. Tourigny:

**RE: SALT WATER DISPOSAL SPECIAL PROJECT  
PENN WEST HELMET c-A45-A/094-P-11; WA# 12130  
DEBOLT FORMATION**

Commission staff have reviewed the application, dated December 13, 2010, from Fekete Associated Inc. on your behalf, requesting approval to dispose of produced water into the Debolt formation of the subject well.

Attached please find Order 11-02-002, designating an area in the Helmet field – Debolt formation a Special Project under section 75 of the *Oil and Gas Activities Act*, for the operation and use of a storage reservoir for the disposal of produced salt water. The Commission understands that disposal at this location will operate as back-up to existing area disposal wells, for water associated with Debolt and Jean Marie gas production.

Please note that, as per section 75 of the Drilling and Production Regulation, a record of the volume of salt water disposed of through this well must be included on a Monthly Injection or Disposal Statement (BC-S18), which must be submitted to the Oil and Gas Commission no later than the 25th day of the month in which activity occurred. Also, the operation of the salt water disposal project will be subject to periodic review and the Commission may modify the Order, if deemed appropriate.

Should you have any questions, please contact Ron Stefik at (250) 419-4430.

Sincerely,



Alex Ferguson  
Commissioner  
Oil and Gas Commission

Attachment

cc: Maureen Saul – Fekete Associates Inc.

IN THE MATTER of the application from Penn West Petroleum Ltd. to the Commission dated December 13, 2010 for the operation and use of a storage reservoir.

**ORDER 11-02-002**

- 1 Under Section 75(1)(d) of the *Oil and Gas Activities Act*, the Commission designates the operation and use of a storage reservoir for the disposal of salt water in the Helmet field Debolt formation as a special project in the following area:

NTS 094-P-11 Block A Unit 45

- 2 Under section 75(2) of the *Oil and Gas Activities Act*, the special project designation in this Order is subject to the following conditions:
  - a) Salt water shall be injected only into the Debolt formation (383.0 – 401.0 mKB) through the well Penn West Helmet c-A45-A/094-P-11 (WA# 12130).
  - b) The wellhead injection pressure must not exceed 1,200 kPag. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
  - c) The Project shall be deemed to have commenced upon initiation of salt water injection into the well. The Supervisor, Reservoir Engineering, Resource Conservation, must be notified in writing within 72 hours of commencement of injection operations.

  
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Alex Ferguson  
Commissioner  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this / day of February 2011.