

May 27, 2005

Drake. 9000-7400-32640-02 OGC - 05171

Jerry W. Worobeck, P.Eng. Senior Exploitation Engineer Pioneer Natural Resources Canada Inc. 2900, 255 – 5th Ave S.W. Calgary, Alberta T2P 3G6

Dear Mr. Worobeck:

RE: APPLICATION FOR SALT WATER DISPOSAL PIONEER SKWAT d-88-J/94-A-16; DEBOLT; WA# 15865

The Commission has reviewed your application, dated April 22, 2005, requesting permission to dispose of produced water into the Debolt formation of the subject well.

The zone of application is currently mapped by the OGC as Other Areas – Debolt. We concur that the subject well appears to be a good candidate for salt water disposal. Notice of your application was published in two issues of the BC Gazette with May 26, 2005 being the last date for any valid objections. As no written objections were received, your application is approved.

Attached is Approval 05-02-005 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Presently the rights in the Debolt formation are held under Drilling Licence 50716. Please be aware that a Petroleum and Natural Gas Lease selection is required in order to operate a disposal well. Also, we note that a produced water injectivity test was conducted on this well March 19, 2005. Approval from the Resource Conservation Branch is required prior to such tests.

Sincerely,

Jung Sh	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.
Craig Gibson, P. Eng. Director	Copy 9 Wellfile (originals) 59240
Resource Conservation Branch	Dally Resource Revenue
RGS	S. Chicorelli R. Stefik G. Farr
Attachment	R. Slocomb D. Krezanoski

RESOURCE CONSERVATION BRANCH

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

APPROVAL 05-02-005

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 Pioneer Natural Resources Canada Inc. (Pioneer) for Salt Water Disposal (SWD) in the Other Areas - Debolt formation in the well Pioneer Skwat d-88-J/94-A-16 (WA# 15865).

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 Pioneer to the Commission dated April 22, 2005.

- 1. The water disposal interval must be in the Debolt formation.
- 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

Director

Resource Conservation Branch

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 27 day of May, 2005.