



OIL AND GAS COMMISSION

February 2, 2009

5420-8400-32640-02

Corey Higham
Business Development
Secure Energy Services
1201, 333 – 7th Avenue S.W.
Calgary, Alberta T2P 2Z1

Dear Mr. Higham:

RE: APPLICATION FOR SALT WATER DISPOSAL, AMENDMENT #1
TRIPOINT E KOTCHO LAKE c-62-J/94-I-14; SLAVE POINT; WA# 17797

The Commission has reviewed your request, dated January 29, 2009, for a change to the designation of the disposal zone from Pine Point to Slave Point.

Upon original application (June 9, 2005), TriPoint Energy requested an approval for disposal of produced water into the Pine Point formation. OGC staff reviewed this application and also designated the disposal zone as the Pine Point formation. Subsequent to the well being drilled and converted to a water disposal well, Dynamic Oil and Gas made a lease selection based on the subject well. As a result, the Ministry of Energy, Mines and Petroleum Resources, Oil and Gas Titles Branch reviewed the well logs and compared them to the type well located at d-39-J/94-I-14 (WA# 532) and assigned Petroleum and Natural gas rights to the base of the Slave Point formation. This has resulted in a mismatch between the P&NG rights held under lease and the zone designated by the Oil and Gas Commission for disposal of produced water.

The Commission has changed the designation of the disposal zone to match that of the P&NG title and is re-issuing and amending the approval granted September 14, 2005. Please find attached Approval 05-02-006 (Amendment #1) for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Slocomb', is written over a light blue rectangular background.

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

Attachment

RESOURCE CONSERVATION

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APPROVAL 05-02-006 (Amendment #1)

**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 Secure Energy Services (Secure) for Salt Water Disposal (SWD) into the Slave Point formation in the well TriPoint E Kotcho Lake c-62-J/94-I-14 (WA# 17797).

NOW, THEREFORE, pursuant to Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, the SWD scheme approval is hereby amended, as such scheme is described in

an application from Secure Energy Services to the Commission January 29, 2009.

1. The water disposal interval must be in the Slave Point 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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of February, 2009.