



February 25, 2000

2900-8400-32640-02
OGC 000071

Mr. Brian Lavergne
Manager, Engineering
Storm Energy Inc
Suite 600, 505 - 8 Avenue SW
Calgary, AB T2P 1G2

Dear Mr. Lavergne:

RE: APPLICATION FOR SALT WATER DISPOSAL
Storm Phillips Cabin a-49-G/94-P-5, (WA# 2058); Slave Point Formation

The Commission has reviewed your application dated January 19, 2000 requesting disposal of produced water into the Slave Point formation of the subject well.

We concur that the well a-49-G/94-P-5 is a good candidate for salt water disposal into the regional Slave Point formation below the original G/W contact. Notice of your application was published in two issues of the BC Gazette. As no written objections were received, your application is approved as submitted.

Attached is Approval 00-02-002 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

Bou van Oort, P. Eng.
Director
Engineering and Geology Branch

Attachment

cc: Petroleum Lands Branch
Ministry of Energy and Mines

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 10

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	R. Steflk
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	P. Attariwala
<input type="checkbox"/>	C. Gibson
<input type="checkbox"/>	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 Flr 1810 Blanshard St. Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 00-02-002

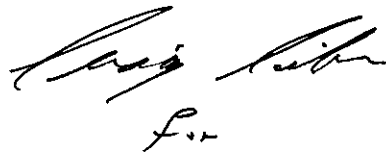
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Storm Energy Inc. (Storm) for Salt Water Disposal (SWD) in the Slave Point formation in the well Storm Phillips Cabin a-49-G/94-P-5 (WA# 2058).

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 Storm to the Commission dated January 19, 2000.

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.



Bou van Oort, P.Eng.
Director
Engineering and Geology Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 25th day of February, 2000.