



September 19, 2005

6600-2800-32640-02
OGC – 05256

Darren Evans, P.Eng.
Senior Operations Engineer
Storm Exploration Inc.
3300, 205 – 5th Avenue S.W.
Calgary, Alberta T2P 2V7

Dear Mr. Evans:

**RE: APPLICATION FOR SALT WATER DISPOSAL
STORM EXP PARKLAND 12-20-081-16 W6M, (WA# 13033); Cadomin Formation**

The Commission has reviewed your application, dated August 15, 2005, requesting permission to dispose of produced water into the Cadomin formation of the subject well.

We concur that the subject well appears to be a good candidate for salt water disposal in the Cadomin formation. A successful disposal/injectivity test was conducted, following a test approval granted by this office July 14, 2005. Notice of your application was published in two issues of the BC Gazette with September 15, 2005 being the last date for any valid objections. No written objections were received.

Attached is Approval 05-02-007 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

Richard Slocomb, P. Eng.
A/Director
Resource Conservation Branch

Attachment

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

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- R. Slocomb
- D. Krezanoski

RESOURCE CONSERVATION BRANCH

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APPROVAL 05-02-007

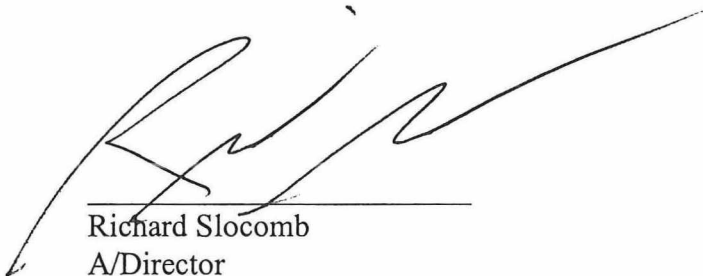
THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION

IN THE MATTER of a scheme of Storm Exploration Inc. (Storm) for Salt Water Disposal (SWD) in the Parkland field Cadomin formation in the well Storm Exp Parkland 12-20-81-16 W6M (WA# 13033).

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 August 15, 2005.

1. The water disposal interval must be in the Cadomin 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
A/Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 19th day of September, 2005.