



June 8, 2004

7740-8600-32640-02
OGC - 04195

Peter Chernik
Reservoir Engineering Advisor
Apache Canada Ltd.
Suite 1000, 700 - 9th Avenue S.W.
CALGARY, AB T2P 3V4

Dear Mr. Chernik:


**RE: SALT WATER DISPOSAL; PINE POINT FORMATION
APACHE ET AL SAHTANEH b-90-I/94-I-12 (WA# 13925)**

The Commission has reviewed your application, dated May 3, 2004, requesting permission to dispose of produced water into the Pine Point formation of the subject well.

We concur that the subject well appears to be a good candidate for salt water disposal in the Pine Point formation. Notice of your application was published in two issues of the BC Gazette with June 3, 2004 being the last date for any valid objections. As no written objections were received, your application is approved.

Attached is Approval 04-02-008 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,


do Craig Gibson, P. Eng.
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
- P. Attariwala
- D. Krezanoski
- R SLOCOMB

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
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 04-02-008

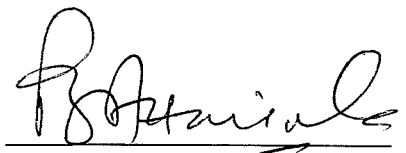
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Apache Canada Ltd. (Apache) for Salt Water Disposal (SWD) in the Pine Point formation in the well Apache et al Sahtaneh b-90-I/94-I-12 (WA 13925).

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 Apache to the Commission dated May 3, 2004.

1. The water disposal interval must be in the Pine 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.


for Craig Gibson
Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 8th day of June 2004.