



February 15, 2008

5000-4100-59240-16

Ms. Kimberly Vincent, P. Eng.
Jedney Field Production Engineer
Petro-Canada
P.O. Box 2844
Calgary, AB T2P 3E3

Dear Ms. Vincent:

**Re: Acid Gas Injection Approval # 96-16-02
Progress Report; January to December 2006
PC et al Jedney a-79-J/94-G-1; WA 9637**

This refers to the subject Progress Report dated March 21, 2007 for acid gas injection in the Baldonnel formation in the well PC et al Jedney a-79-J/94-G-1 (WA 9637). The acid gas injection scheme was approved on November 7, 1996.

Please note that the condition #5 of the approval is as follows:

“The injection rate must not exceed $114 \times 10^3 \text{ m}^3/\text{d}$ expressed at 101.325 kPa and 15 degrees centigrade.”

It is noted from the subject Progress Report (Appendix C) that the injection rate has exceeded the approved limit, especially from July 2005 onwards. All other conditions have been honoured.

Approval to operate is based on meeting the stated conditions. Petro-Canada may request an amendment to Approval 96-16-02 for a higher injection rate, if such an increase can be technically justified.

Should you have any questions, please contact the undersigned at (250) 952-0366 or Ron Stefik at (250) 952-0310.

Sincerely,

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

RESOURCE CONSERVATION

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