



March 26, 1996

960327

2400-4805-59240-07

Mr. Bruce G. Eckert, P. Eng.
Senior Development Engineer
Rigel Oil & Gas Ltd.
1900-255 5th Ave SW
Calgary AB T2P 3G6

Copies for Approval Letters to Industry (11)
RE: Application for Concurrent Production

<input type="checkbox"/>	D.L. Johnson	<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	Data Mgmt	<input type="checkbox"/>	P.S. Attariwala
<input checked="" type="checkbox"/>	R. Stefik	<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	D. Richardson	<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	Wellfile (originals)	<input type="checkbox"/>	Daily
<input type="checkbox"/>	59240-07	<input type="checkbox"/>	

Dear Mr. Eckert:

Rigel Project (02)

**RE: APPLICATION FOR REVISION TO CONCURRENT PRODUCTION APPROVAL
BUICK CREEK - LOWER HALFWAY 'A' POOL**

Branch staff have reviewed the application from Rigel Oil & Gas Ltd. (Rigel), dated March 7, 1996, requesting an increase in the daily oil allowable and waiver of the gas production limit for the subject project, and the inclusion of units 36, 37 and 47-I/94-A-11.

At present, the only well within the proposed area is d-46-I/94-A-11 (WA 4172). A well authorization has been granted for Rigel to drill a horizontal well, b-36-I/94-A-11 (WA# 9857), with a projected bottom-hole location at b-37-I.

Lower Halfway production to the south and west of your lands are currently mapped as being from the separate 'J' pool. Amendment to the project will depend on results from the drilling of your new well to substantiate mapping and establish pool continuity as presented in your application. The branch is open to approval review pending drilling results.

It should be noted that we will require letters of consent regarding the application from the other registered titles holders in the proposed project area.

Should you have any questions, please contact the undersigned, at (604) 952-0311.

Sincerely,

P.S. Attariwala
A/Manager Engineering
Engineering and Operations Branch

RS/mef