

July 3, 1996

Copies for Approval Letters to Industry (10)
D.L. Johnson
Resource Revenue
P.S. Attariwala
R.G. Stefik
G. Farr
D. Richardson
S. Chicorelli
Daily
Well File

Ref:

960647

59070-04

File:

6230-4800-59240-07

Mr. George T. Norgard, P.Eng/P. Geol Chief Geologist Wainoco Oil Corporation 1700 First Canadian Centre 350 - 7th Avenue SW Calgary AB T2P 3N9

Wainoco Project (02)

Dear Mr. Norgard:

RE: APPROVAL FOR CONCURRENT PRODUCTION

MUSKRAT HALFWAY "E" POOL

Attached is a concurrent production scheme approval for the subject pool, as requested in your application dated May 6, 1996.

The Approval 96-07-005 is hereby granted under section 113 of the *Petroleum and Natural Gas Act*.

It should be noted that there are no equity concerns at this time. However, a reservebased gas allowable limit may be imposed if equity issues are raised due to future drilling.

Yours sincerely,

Bou van Oort

Director

Engineering and Operations Branch

Attachment

APPROVAL 96-07-005

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT MINISTRY OF EMPLOYMENT AND INVESTMENT ENERGY AND MINERALS DIVISION

IN THE MATTER of a Concurrent Production scheme of Wainoco Oil Corporation (Wainoco) for producing the Muskrat Halfway "E" Pool with a project oil and gas allowable.

NOW, THEREFORE, the Division Head, pursuant to section 113 of the *Petroleum and Natural Gas Act*, hereby approves the Concurrent Production scheme of Wainoco for oil and gas production with project allowables, as such scheme is described in

an Application from Wainoco to the Division dated May 6, 1996, and related submission.

This scheme is approved, subject to the conditions herein contained and, in particular:

- 1. The area of the scheme shall consist of SW/4 section 12-87-18 W6M.
- 2. The project oil allowable is 21.8 m³/d.
- 3. Gas production from the project will be limited to 13.0 10³ m³ /d.
- 4. All associated gas production will continue to be conserved.
- 5. Royalty-free oil production from the discovery well 6-12-87-18 W6M (WA 9335) is limited to a total volume of 10,318.5 m³, or the volume produced in the first 36 producing months, whichever is lesser.
- 6. This approval may be modified or rescinded at a later date if deemed appropriate.

Bou van Oort, on behalf

of the Division Head

Energy and Minerals Division

DATED AT the City of Victoria, in the Province of British Columbia, this 3¹² day of July, 1996.