



June 25, 1997

6230-4520-59240-06

970615

Mr. Mike Fabi, P. Eng.
Sr. Reservoir Engineer
Apache Canada Ltd.
1000, 700 - 9th Avenue SW
Calgary, AB T2P 3V4

Apache Project (02)

Dear Mr. Fabi:

**RE: GOOD ENGINEERING PRACTICE (GEP) APPROVAL
MUSKRAT CECIL "B" POOL**

This refers to your application of April 29, 1997 requesting a Concurrent Production scheme approval for the Muskrat Cecil "B" single well pool.

The Approval 97-06-005 is hereby granted under Part 8, Division 6, Section 104 of the British Columbia *Drilling and Production Regulation*.

Approval under GEP is deemed appropriate since gas is being flared. Please note that this approval will be reviewed within one year, at which time it may be modified or rescinded.

Yours sincerely,

Bou van Oort
Director
Engineering and Operations Branch

Attachment

Copies for Approval Letter to Industry (11)
RE: GEP, Salt Water Disposals, etc.

<input type="checkbox"/>	G. Miltenberger
<input type="checkbox"/>	Data Management
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	D. Richardson
<input type="checkbox"/>	P. Attariwala
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	59240
<input type="checkbox"/>	Wellfiles (originals)
<input type="checkbox"/>	Daily

APPROVAL 97-06-005

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

IN THE MATTER of a Good Engineering Practice (GEP) scheme proposal of Apache Canada Ltd. (Apache) for producing the Muskrat Cecil "B" Pool with a project oil and gas allowable.

NOW, THEREFORE, the Division Head, pursuant to Part 8, Division 6, Section 104 of the *Drilling and Production Regulation*, hereby approves the GEP project of Apache for oil and gas production with project oil and gas allowable, as such project is described in

an Application from Apache to the Division dated April 29, 1997, and related submission.

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

1. The area of the project shall consist of Section 23 Township 87 Range 18 W6M.
2. The project daily oil allowable is 10.0 m^3 .
3. The project gas production is limited to $8.0 \times 10^3 \text{ m}^3/\text{d}$.
4. Associated gas production may be flared.
5. An oil well may be drilled anywhere within the project area provided that it is not completed nearer than 100 m to the sides of the approved area.
6. Royalty-exempt oil production from the discovery well Apache Anderson Muskrat 4-23-87-18 (WA# 9841) is limited to a volume of $2,499.3 \text{ m}^3$ or the volume produced in the first 36 producing months, whichever is lesser.
7. 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 25th day of June, 1997.