



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

cc: D. Johnson
P. Attariwala
S. Foofat
L. Macgregor

9094

February 2, 1990

Mr. Greg Caswell
Canadian Hunter Exploration Ltd.
435 - 4 Avenue S.W.
Calgary, Alberta
T2P 3A8

Dear Mr. Caswell:

AMENDMENT TO GOOD ENGINEERING PRACTICE, NOEL FIELD

This is in response to your letter dated January 4, 1990, requesting an amendment to the Noel GEP approval to allow eligible royalty exempt gas wells to produce without restriction.

In light of the recent royalty policy change which caps exempt wells based on a royalty-free volume of production, the Ministry agrees that individual allowables are no longer required on wells within the GEP area. Allowables of $60.0 \times 10^3 \text{ m}^3/\text{day}$ each for the wells a-61-I and a-67-I/93-P-2 (Cadotte and Falher zones) approved in our letter dated January 9, 1990, are hereby waived in accordance with Information Letter 89-09. Condition #3 of our original approval dated August 4, 1988, granted to Canadian Hunter is revised as follows (effective January 1, 1990):

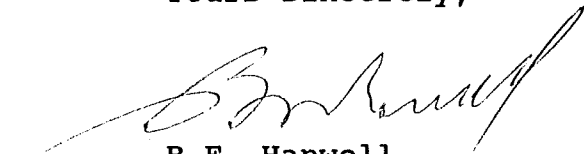
3. Future wells qualifying for gas royalty exemption drilled within the GEP area must apply for an individual well gas allowable and subsequent waiver of such in accordance with Division 83 of the Drilling and Production Regulations.

.... 2

Mr. Greg Caswell
February 2, 1990
Page 2

The approved daily gas allowable will be used to calculate a royalty exempt volume cap as per Information Letter 89-10. All other conditions of the original approval and amendments (dated March 28, 1989 and September 13, 1989) remain unchanged.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "B.E. Hanwell", written in dark ink.

B.E. Hanwell
Director
Engineering and Operations
Branch

SF:ket