



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

Parliament Buildings
Victoria
British Columbia
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February 23, 1995

Dekalb Project

6460-4520-59240-06
940198

Mr. Steve Sugianto, P. Eng.
Senior Exploitation Engineer
Dekalb Energy Canada Ltd.
700-9th Avenue S.W.
Calgary, Alberta
T2P 3V4

(82) (24) (as well)

Approval Letters to Industry (11)

D.L. Johnson
P.S. Attariwala
R.G. Stefik
G. Farr
D. Richardson
S. Chicorelli
Daily
Well File
ORCS
Data Management
Resource Revenue

Dear Mr. Sugianto:

RE: APPLICATION FOR GOOD ENGINEERING PRACTICE (OAK CECIL "I" POOL)

Attached is a GEP scheme approval for the subject pool, as requested in your application of February 10, 1995. The Approval #95-06-002 is hereby granted under Part 8, Division 6, section 104 of the British Columbia *Drilling and Production Regulation*.

Please note that a Progress Report must be submitted by year-end 1995. This report should include production performance for each well, pressure build up information and results of the material balance calculations.

To maximize ultimate recovery from this pool, a pressure maintenance scheme must be in place by March 1, 1996.

It should be noted that there are no equity concerns at this time. However, a reserve based or sum of individual well oil allowables may be imposed if equity issues are raised due to future drilling.

Yours sincerely,

B.E. Hanwell, P. Eng.
Director
Engineering and Operations Branch

cc: D.L. Johnson
Manager, Field Office

Attachment

APPROVAL 95-06-002

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
ENERGY RESOURCES DIVISION

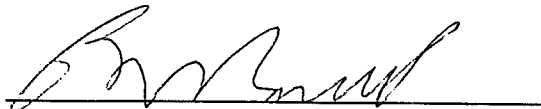
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Dekalb Energy Canada Ltd. (Dekalb) for producing the Oak Cecil "I" Pool with a project oil allowable.

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

an Application from Dekalb to the Division dated February 10, 1995, 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 W/2 section 28, SE/4 section 29 and SW/4 section 33-86-17 W6M.
2. The project oil allowable will be limited to 80 m³/d.
3. An oil well may be drilled anywhere within the project area provided that it is not nearer than 100 m to the sides of the approved area.
4. Royalty free oil production is limited to 8816 m³ (10 m³/d for the remaining 29 months of the 36 months royalty exempt period for the discovery well 14-28-86-17 W6M) effective March 1, 1995.
5. This approval may be modified or rescinded at a later date if deemed appropriate.



B.E. Hanwell, on behalf of
the Division Head
Energy Resources Division

DATED AT the City of Victoria, in the Province of British Columbia, this 23rd day of February, 1995.