

OIL & GAS COMMISSION

April 9, 1999

Mr. Harry Hooi NEBC Group Numac Energy Inc. 321 - 6th Avenue S. W. CALGARY, AB T2P 3H3 6230-4535-59240-06 OGC-990278 Numer Project (02) (rescinded April 11, 2002, now prof)

Dear Mr. Hooi:

RE: GOOD ENGINEERING PRACTICE APPROVAL AMENDMENT #2
MUSKRAT BOUNDARY LAKE "A" POOL

Attached is an amendment to the Good Engineering Practice (GEP) scheme approval for the subject pool.

The Approval 97-06-012 (Amendment #2) is hereby granted under Part 8, Division 6, section 101 of the British Columbia *Drilling and Production Regulation*. The project oil allowable has been increased from 78.7 m³/d to 91.0 m³/d to reflect the current sum of individual well daily oil allowables. Please note that the new well horizontal well 8-14-87-18 is contained within the existing GEP area and is thus not entitled to a test period.

This approval is intended to allow operational flexibility for producing lower GOR wells and the drilling of wells without spacing and target considerations for development of the pool. The cover letter to Amendment #1, issued March 23, 1998, requested Numac Energy Inc. present a proposal for implementation of a secondary scheme within one year. A telephone call from Ron Stefik of this office to yourself on March 24, 1999 was intended as a reminder of this obligation. Please forward a written response by May 7, 1999 or this pool may be ordered shut-in until a proposal is received.

Yours sincerely. Approval Letters to Industry GEP, SWD, CONCURRENT PROD. PRESSURE MAINTENANCE, WATERFLOOD, ETC. Wellfile (originals) 59240 Bou van Oort, P. Eng. Daily Director Resource Revenue Engineering and Geology Branch R. Stefik G. Farr Email Attachment D. Krezanowski S. Chicorelli

APPROVAL 97-06-012 (AMENDMENT #2)

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Numac Energy Inc. (Numac) for producing the Muskrat Boundary Lake "A" pool under a pool oil allowable and without well spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, section 101 of the *Drilling and Production Regulation*, hereby approves an amendment to the GEP project of Numac for producing with a pool allowable and drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Numac to the Ministry of Energy and Mines dated February 10, 1998 and related submission.

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

- 1. The area of the scheme shall consist of sec 13 and 14 Twp 87 Rge 18 W6M.
- 2. The project oil allowable, being the sum of the individual well allowables, is 91.0 m³/d.
- 3. The requirements of section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved area.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

B**/** van Oort

Director

Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this

day of April, 1999