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Ref. No. 84420

1984 04 18

Amoco Canada Petroleum Company Ltd. Amoco Canada Building 444 - 7th Avenue, S.W. CALGARY, ALBERTA T2P 0Y2

Attention: Mr. T. R. Wood

Division Production Manager

Dear Sir:

Re: Application for Inga Unit No. 2 Waterflood Modification

This acknowledges the receipt of your application dated 1984 03 27 requesting approval to convert the production wells Dome Numac Inga 6-18-87-23 W6M, CDCOG Inga 16-36-86-24 W6M and Pan Am Inga 6-19-86-23 W6M to water injection service. We wish to advise that the approval is hereby granted under section 116 of The Petroleum and Natural Gas Act.

We confirm that the incremental production resulting from the upgrading of the flood will qualify for SOOP (at present equal to NORP) and provincial "new" oil royalty rates. Also, the price and royalty will be administered by the "fixed ratio" method based on 20% incremental and 80% old oil. The effective date will be the first day of the month following the date when all three new injectors are in operation.

Yours truly,

PETROLEUM RESOURCES DIVISION

A. G. T./ Weaver

Director, Engineering and Operations

EAW: wnl

cc: W. L. Ingram

D. Johnson

B. Garrison