

Anderson Project (03)

April 25, 1997

Mr. Kevin W. Krynowsky, P.Eng
Exploitation Engineer
Anderson Exploration Ltd
1600, 324 Eighth Avenue SW
Calgary, AB T2P 2Z5

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

<input type="checkbox"/>	G. Miltenberger
<input type="checkbox"/>	Data Management
<input checked="" 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"/>	Daily

Dear Mr. Krynowsky:

Re: Application For Waterflood Pressure Maintenance Approval
Stoddart West Bear Flat "D" Pool

This refers to your application dated February 27, 1997 wherein you requested approval of a waterflood pressure maintenance scheme in the subject oil pool.

Attached is Approval # 97-09-002 for the application, granted under section 116 of the Petroleum and Natural Gas Act.

To maximize ultimate recovery from the pool, please ensure that behind casing communication with Coffee Creek member is segregated.

Yours truly,



Bou van Oort
Director
Engineering and Operations Branch

Attachment

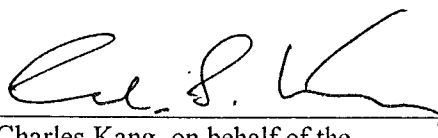
APPROVAL 97-09-002

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

IN THE MATTER of a pressure maintenance scheme of Anderson Exploration Ltd. (Anderson) for waterflood recovery of oil by water injection into the Stoddart West Bear Flat "D" pool.

The Minister of Employment and Investment, pursuant to section 116 of the Petroleum and Natural Gas Act, hereby orders as follows:

1. The pressure maintenance scheme of Anderson for waterflood recovery of oil from the Stoddart West Bear Flat "D" pool as such scheme is described in the Application from Anderson to the Ministry dated February 27, 1997 is hereby approved, subject to the terms herein contained.
2. The area of the pressure maintenance scheme shall consist of N/2 sec 16, S/2 sec 21 and SW/4 22-85-20 W6M.
3. The project oil allowable is 85.0 m³/d.
4. Water may be injected into the well 8-21-85-20 W6M.
5. The scheme shall be deemed to have commenced upon water being injected into the well referred to in clause 4, with the Division being notified in writing of the date of commencement. (97-03-18)
6. The injection pressure at the sandface must not exceed the formation fracture pressure.
7. Equipment must be installed at the well head of water injection well to ensure that fracturing of the formation does not occur.
8. All associated gas production must be conserved.
9. 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 project area.
10. Progress reports shall be filed as stipulated in Part 9, section 108 of the British Columbia Drilling and Production Regulation.
11. The operations of the pressure maintenance scheme will be subject to periodic review, and modification to the approval may be ordered, if deemed appropriate, by the Director of the Engineering and Operations Branch.



Charles Kang, on behalf of the
Minister of Employment and Investment

DATED AT the City of Victoria, in the Province of British Columbia, this 23 day of April, 1997.