



OIL AND GAS COMMISSION

July 19, 2002

2800-2900-59240-09

OGC - 02123

David J. Burton, P. Eng.
Manager, Advanced Engineering
Dominion Exploration Canada Ltd.
Suite 2000, 400 - 3 Avenue S.W.
Calgary, AB T2P 4H2

Dominion Project (02)

Dear Mr. Burton:

**RE: WATERFLOOD PRESSURE MAINTENANCE APPROVAL
BUICK CREEK WEST DUNLEVY "N" POOL**

Attached is a waterflood pressure maintenance scheme approval for the subject pool, as requested in your application dated June 3, 2002.

Pressure maintenance by water injection should significantly improve oil recovery from this pool. To maximize oil recovery, we concur with your proposal to commence water injection and delay oil production from the pool until virgin pressure is reached.

The Approval 02-09-001 for the application is granted under Section 100 of the Petroleum and Natural Gas Act. No objections were received following the publication of a notice of the application in the B.C. Gazette.

The water injection well DECL et al N Buick d-64-L/94-A-14 (WA 13931) has been designated as the discovery well of this pool, eligible for royalty exempt allowable production for the initial 36-producing months, up to a maximum volume of 11,450 m³. Please be aware that regulatory provision is available to transfer royalty exempt volume to another oil well producing from the same pool. For further details please contact the Mineral, Oil and Gas Revenue Branch of the Ministry of Provincial Revenue.

Sincerely,

Craig Gibson, P. Eng.
Manager
Reservoir Engineering and Geology

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 10

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- C. Gibson
- D. Krezanoski

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APPROVAL 02-09-001


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

IN THE MATTER of a pressure maintenance scheme of Dominion Exploration Canada Ltd. (Dominion) for recovery of oil by water injection in the Buick Creek West Dunlevy "N" Pool.

NOW THEREFORE, the Commission, pursuant to Section 100 of the Petroleum and Natural Gas Act, R.S.B.C. 1996, c.361 orders as follows:

The pressure maintenance scheme of Dominion for recovery of oil by waterflooding the Buick Creek West Dunlevy "N" Pool as described in the application from Dominion to the Commission dated June 3, 2002 is approved, subject to the following terms:

1. The area of the pressure maintenance scheme consists of units 53, 54, 63 and 64 Block L/94-A-14.
2. The project daily oil allowable is 100.0 m³.
3. Water may be injected into the pool through the well d-64-L/94-A-14.
4. The scheme is deemed to have commenced upon water being injected into the well referred to in clause 3. (August 20, 2002)
5. The Commission must be notified in writing of the date of commencement.
6. All associated gas production will be conserved.
7. The injection pressure measured at the sandface must not exceed the formation fracture pressure.
8. An oil well may be completed anywhere within the project area provided that it is not nearer than 100 m to the sides of the project area.
9. Progress reports shall be filed as stipulated in Section 8 of the *Petroleum and Natural Gas General Regulation*.
10. The operations of the pressure maintenance scheme will be subject to periodic review and modification to the approval may be ordered, if deemed appropriate.


Craig Gibson
Manager
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 17th day of July 2002.