



September 14, 2000

7400-4900-59240-09
OGC - 000220

David J. Burton, P.Eng.
Senior Exploitation Engineer, NEBC
Domcan Boundary Corp.
Dominion Energy Canada Limited
2000, 400 - 3rd Ave SW
CALGARY, AB T2P 4H2

Domcan Project (03)

Dear Mr. Burton:

**RE: WATERFLOOD PRESSURE MAINTENANCE APPROVAL
RED CREEK DOIG "C" POOL**

The Commission has reviewed your application, dated August 3, 2000 wherein you requested a waterflood pressure maintenance scheme approval for the subject oil pool.

Attached is Approval #00-09-003 for the application, granted under section 100 of the Petroleum and Natural Gas Act.

The effective date of this approval shall be the date that water injection commences, with the OGC notified in writing. Approval # 97-07-011 (Amendment #1), Concurrent Production with Good Engineering Practice, will be rescinded the date the waterflood becomes effective.

Your request for third tier oil royalty status for incremental production must be addressed to the royalty administrator of the Resource Revenue Branch, Ministry of Energy and Mines. Further information in this regard is contained in the Ministry of Energy and Mines, Resource Revenue Branch, Information Letter F2000-01.

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
- D. Krezanoski

ENGINEERING AND G

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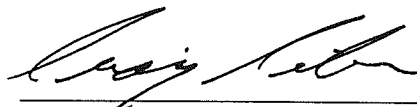
THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
OIL AND GAS COMMISSION

IN THE MATTER of a pressure maintenance scheme of Domcan Boundary Corp. (Domcan), a division of Dominion Energy Canada Ltd., for waterflood recovery of oil by water injection into the Red Creek Doig "C" 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 Domcan for waterflood recovery of oil from the Red Creek Doig "C" pool as such scheme is described in the application from Domcan dated August 3, 2000 is hereby approved, subject to the terms herein contained:

1. The area of the pressure maintenance scheme shall consist of W/2 sec 3, E/2 sec 4, NW/4 & E/2 sec 9 and W/2 sec 10-85-21 W6M.
2. The project daily oil allowable is 418.4 m³.
3. Water may be injected into the Red Creek Doig "C" pool through the wells B13-3-85-21 (BH 9-4) W6M, WA# 11564 and A11-10-85-21 (BH 10-9), WA# 11068. *inj commenced approx. May 1, 2001*
4. The scheme shall be deemed to have commenced upon water being injected into either of the wells referred to in clause 3.
5. The Commission must be notified in writing of the date that injection commences.
6. The injection pressure measured at the sandface must not exceed the formation fracture pressure.
7. All associated gas production will be conserved.
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 September, 2000.