



November 20, 1997

File: 3410-7600-59240-09

Reference: 971084

Ms. Lily Lau-Porta
Reservoir Engineering Advisor
ISH Energy Ltd.
2450, 400 - 3rd Avenue SW
CALGARY, AB T2P 4H2

ISH Project (03)

Dear Ms. Lau-Porta:

**RE: AMENDMENT TO PRESSURE MAINTENANCE APPROVAL
DESAN PEKISKO POOL**

This refers to your application dated October 16, 1997, wherein you requested an amendment to the pilot waterflood pressure maintenance approval in the subject oil pool.

Attached is Approval #96-09-003 (Amendment #3) for the application, granted under section 100 of the Petroleum and Natural Gas Act (previously section 116).

With this expansion of the approval area and addition of injector wells, this project will no longer be considered in the pilot phase, but rather as partial pool pressure maintenance.

Yours sincerely,

B. van Oort, P. Eng.
Director
Engineering and Operations Branch

- Copies for Approval Letter to Industry (11)
- RE: GEP, Salt Water Disposals, etc.
- G. Miltenberger
- Data Management
- R. Stefik
- D. Richardson
- P. Attariwala
- G. Farr
- S. Chicorelli
- Resource Revenue
- 59240
- Wellfiles (originals)
- Daily

Attachment

APPROVAL 96-09-003 (Amendment # 3)

**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 ISH Energy Ltd. (ISH) for waterflood recovery of oil by water injection into the Desan Pekisko Pool.

The Minister of Employment and Investment, pursuant to section 100 of the Petroleum and Natural Gas Act, hereby orders as follows:

1. The pressure maintenance scheme of ISH for waterflood recovery of oil from the Desan Pekisko Pool as such scheme is described in the Applications from ISH to the Ministry dated April 9, 1996, April 4, 1997 and October 16, 1997 is hereby amended, subject to the terms herein contained.
2. The pressure maintenance scheme area shall be delineated by units 65, 74 - 76, 84 - 87, 94 - 98 of Block L/94-P-2 and units 4 - 8, 14 - 17 of Block D/94-P-7.
3. Water may be injected into the Desan Pekisko Pool through the wells d-74-L, d-76-L, d-85-L, d-87-L, d-96-L/94-P-2 and d-5-D, d-8-D/94-P-7.
4. The injection pressure measured at the sandface must not exceed the formation fracture pressure.
5. Progress reports shall be filed as stipulated in Part 9, section 108 of the British Columbia Drilling and Production Regulation.
6. The operations of the pressure maintenance scheme will be subject to periodic review and modification to the approval may be ordered, if deemed appropriate.



B. van Oort,
Director
Engineering and Operations Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 20 day of November, 1997.