



Ref. No. 90393

March 26, 1990

Mr. K.R. Brown
Scurry-Rainbow Oil Limited
1700 Home Oil Tower
324 Eighth Avenue S.W.
Calgary, Alberta
T2P 2Z5

Dear Mr. Brown:

**APPLICATION TO AMEND WATERFLOOD APPROVAL
EAGLE UNIT NO. 1**

This is in response to your application of February 9, 1990, requesting a higher oil allowable and modification to the gas-oil ratio schedule for the subject Unit. We have also taken note of the technical discussions that have taken place in our offices related to the reservoir geological and engineering studies.

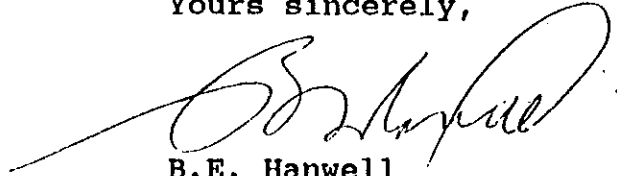
The Ministry will undertake a geological review of the Belloy and Kiskatinaw pools of the Eagle field, so that it may be in a better position to comment on Scurry's geological work. However, our review of the Unit oil production performance indicates that oil recoveries will be considerably higher than previously recognized. It is also noted that the approved gas-oil ratio schedule is overly restrictive. In view of the above, conditions #2 and #4 of the Ministry approval of May 13, 1986, which was revised on May 17, 1987, are hereby modified as follows:

2. The waterflood allowable for the Unit will be $500 \text{ m}^3/\text{d}$ effective February 9, 1990. This allowable is based on recoverable reserves of $1745.5 \times 10^3 \text{ m}^3$.
4. The base gas-oil ratio for the Unit will be $177.3 \text{ m}^3/\text{m}^3$ in accordance with Schedule 2 of the B.C. Drilling and Production Regulation.

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All other conditions of the original approval
remain unchanged.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "B.E. Hanwell".

B.E. Hanwell
Director
Engineering and Operations
Branch

PSA:ket

cc: D.L. Johnson
Manager, Field Operations
John MacRae
Director of Petroleum Geology