



June 4, 2002

2960-4520-59240-13
OGC - 02098

Ms. Joanne P. Nemeth, P.Eng.
Senior Area Engineer, Northern
NCE Petrofund Corp.
600, 444 - 7th Ave. S.W.
Calgary, AB T2P 0X8

Dear Ms. Nemeth:

**Re: GAS INJECTION APPROVAL, AMENDMENT # 3
CECIL LAKE - CECIL "D" POOL**

The Commission has reviewed your application dated May 31, 2002 requesting an amendment to the subject approval area to include an additional successful well.

We concur that the well 10-7-85-17 W6M (WA# 14497) is completed in the Cecil "D" pool and that pool oil recovery would benefit with re-injection of produced solution gas.

Accordingly, attached is Approval 89-13-002 (Amendment #3) for the application, granted under Section 100 of the Petroleum and Natural Gas Act. This amendment increases both the area of approval and the scheme daily oil allowable. Please note that the daily oil allowable remains subject to a GOR adjustment factor, based on any net gas production.

Sincerely,

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

Attachment

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

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- | | |
|--------------------------|----------------------|
| <input type="checkbox"/> | Wellfile (originals) |
| <input type="checkbox"/> | 59240 |
| <input type="checkbox"/> | Daily |
| <input type="checkbox"/> | Resource Revenue |
| <input type="checkbox"/> | S. Chicorelli |
| <input type="checkbox"/> | R. Stefik |
| <input type="checkbox"/> | G. Farr |
| <input type="checkbox"/> | P. Attariwala |
| <input type="checkbox"/> | D. Krezanoski |

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APPROVAL 89-13-002 (AMENDMENT #3)


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

IN THE MATTER of a gas injection scheme of NCE Petrofund Corp. (NCE) for recovery of oil by gas injection into the Cecil Lake Cecil "D" Pool.

NOW THEREFORE, the Commission, pursuant to Section 100 (formerly Section 116) of the Petroleum and Natural Gas Act, R.S.B.C. 1996, c.361 orders as follows:

The gas injection scheme of NCE for recovery of oil from the Cecil Lake Cecil "D" Pool as described in the applications dated June 14, 1989, August 12, 1991, June 10, 1994, and May 31, 2002 is hereby amended, subject to the terms herein contained:

1. The gas injection scheme area consists of sec 6, W/2 and NE/4 sec 7 of 85-17 W6M and E/2 sec 1 of 85-18 W6M.
2. The project daily oil allowable, being the sum of the individual well allowables, is 81.5 m³.
3. Produced gas may be injected into the well 6-6-85-17 W6M (WA# 3806).
4. An oil well may be drilled anywhere within the project area provided that it is not nearer than 100 m to the sides of the project area.
5. All associated produced gas in excess of that required for lease fuel will be injected. All such gas injection will be deducted from produced gas in calculating the gas-oil ratios for oil allowables.
6. The operations of the gas injection 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 9th day of June 2002.