

March 4, 1997

970268

File:

1280-4800-59240-07

Anderson Project

Mr. Will Yakymyshyn Engineer, Exploitation Anderson Exploration Ltd. 1600, 324 - 8th Ave SW Calgary AB T2P 2Z5

Dear Mr. Yakymyshyn:

RE: APPROVAL FOR CONCURRENT PRODUCTION BIRLEY CREEK HALFWAY "H" POOL

This refers to your application of January 30, 1997 requesting that a Good Engineering Practice scheme be approved for the subject single well pool.

In this case, Concurrent Production is appropriate, production limits not being based strictly on reserves. The Approval 97-07-004 is hereby granted under section 113 of the Petroleum and Natural Gas Act.

It should be noted that there are no equity concerns at this time, however, the project allowables may be revised downward if an oil well outside the project area is completed in the subject pool by another operator.

Yours sincerely,

B. van Oort

Director

Engineering and Operations Branch

Attachment

Copies of Approval Letter to Industry (11) RE: GEP, Salt Water Disposals, etc.

D.L Johnson

Data Management

R. Stefik

D. Richardson

Wellfile (originals)

59240

Resource Revenue

P.S. Attariwala

G. Farr

S. Chicorelli

Daily

APPROVAL 97-07-004

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT MINISTRY OF EMPLOYMENT AND INVESTMENT ENERGY AND MINERALS DIVISION

IN THE MATTER of a Concurrent Production proposal of Anderson Exploration Ltd. (Anderson) for producing the Birley Creek Halfway "H" Pool without a project oil allowable.

NOW, THEREFORE, the Division Head, pursuant to section 113 of the *Petroleum and Natural Gas Act* (the Act), hereby approves the Concurrent Production project of Anderson for production of oil without an oil project allowable and with a daily gas limit, as such project is described in

an Application from Anderson to the Division dated January 30, 1997, and related submission.

This project is approved, subject to the conditions herein contained and, in particular:

- 1. The area of the project shall consist of Unit 23 of Block K/94-H-3.
- 2. The project oil allowable is waived.
- 3. Gas production from the project will be limited to 14.1 10³m³/d.
- $D_{e.e.}$ is/97 4. All associated gas production must be conserved.
 - 5. This approval may be modified or rescinded at a later date if deemed appropriate.

Bou van Oort, on behalf of the Division Head

Energy and Minerals Division

DATED AT the City of Victoria, in the Province of British Columbia, this Haday of March, 1997.