



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

July 13, 1998

File: 6020-4800-59240-07
Ref: 980576

Mr. Darrell Wardberg, P. Eng.
Area Engineer
Encal Energy Ltd.
1800, 421 - 7th Ave S.W.
Calgary, AB T2P 4K9

Dear Mr. Wardberg:

**RE: CONCURRENT PRODUCTION APPROVAL RESCINDED
MILLIGAN CREEK WEST HALFWAY "I"**

Branch staff have reviewed your application, dated June 17, 1998, requesting that the Concurrent Production approval (#94-07-001) for the subject pool be rescinded.

The Milligan Creek West Halfway "I" oil pool has experienced a steep decline in gas production rates, interpreted to be the early blowdown of the gas cap. Condition #4 of the approval, that all associated gas production be conserved, will no longer be met as the well c-80-G/94-H-2 has been approved for a single well oil battery with gas flaring.

Approval #94-07-001 is hereby rescinded. The producing well Encal Suncor W Milligan c-80-G/94-H-2 (WA# 7850) reverts to its previously issued individual well daily oil allowable (DOA) of 26.3 m3/d.

Should you have any questions regarding this order, please contact Ron Stefik, at (250) 952-0310.

Sincerely,

for
B. van Oort
Director
Engineering and Operations Branch