Oil and Gas Commission

February 11, 1999

Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC. Copy	
Wellfile (originals) 59240 Daily Resource Revenue R. Stefik G. Farr Email	7400-4900-59240-07 OGC990130 ington Project (02)

Mr. Steve Sugianto, P. Eng. Operations Manager Remington Energy Ltd. 600, 550 - 6th Avenue S.W. Calgary, AB T2P 0S2

Dear Mr. Sugianto:

RE: CONCURRENT PRODUCTION WITH GOOD ENGINEERING PRACTICE RED CREEK - DOIG 'B' POOL

Attached is a Concurrent Production with Good Engineering Practice (GEP) scheme approval for the subject pool, as requested in your application dated January 29, 1999.

The Approval #99-07-002 is hereby granted under section 97 of the <u>Petroleum and Natural Gas Act</u>. Remington controls 100% working interest in the subject pool, therefore there are no equity issues.

This approval is intended to allow operational flexibility in order to maximize oil recovery. Please note that the project allowables may be amended if additional wells are successfully completed in the subject pool outside the approved area by another operator.

Yours sincerely,

Bou van Oort, P. Eng.

Director

Engineering and Geology Branch

Attachment

APPROVAL 99-07-002

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Concurrent Production scheme with Good Engineering Practice (GEP) of Remington Energy (Remington) for producing the Red Creek Doig 'B' Pool with a project oil allowable.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to section 97 of the <u>Petroleum and Natural Gas Act</u> (the Act), hereby approves a Concurrent Production project of Remington for oil and gas production, as such project is described in

an Application from Remington to the Commission dated January 29, 1999 and related submission.

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

- 1. The area of the scheme shall consist of sec 15-85-21 W6M.
- 2. The project daily oil allowable is 65.2 m³.
- 3. All associated gas produced must be conserved.
- 4. An oil well may be drilled anywhere within the project area provided that it is not completed nearer than 100 m to the sides of the approved area.
- 5. This approval may be modified or rescinded at a later date if deemed appropriate.

Bou van Oort, P.Eng.

Director

Engineering and Geology Branch

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this y day of February, 1999.