

June 2, 1997

Remington Project (03)

Mr. Steve Sugianto
Operations Supervisor
Remington Energy Ltd.
600, 550 - 6th Ave SW
Calgary AB T2P 0S2

Dear Mr. Sugianto:

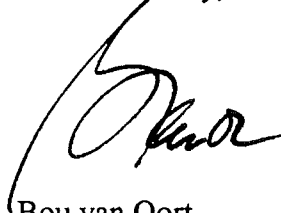
**RE: CONCURRENT PRODUCTION WITH GOOD ENGINEERING
PRACTICE STODDART WEST - DOIG 'D' POOL**

Attached is a Concurrent Production with Good Engineering Practice (GEP) scheme approval for the subject pool, as requested in your application dated March 11, 1997.

The Approval #97-07-008 is hereby granted under section 97 of the Petroleum and Natural Gas Act.

This approval is intended to allow operational flexibility in order to maximize oil recovery. Please note that conditions such as project area and allowables may be amended if additional wells are successfully completed in the subject pool outside the approved area. We understand the Remington Energy Ltd. is conducting studies investigating incremental oil recovery schemes. Results of these studies and future plans for implementing EOR should be discussed with Branch staff.

Yours sincerely,



Bou van Oort
Director
Engineering and Operations Branch

Attachment

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

<input type="checkbox"/>	G. Miltenberger
<input checked="" type="checkbox"/>	Data Management
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	D. Richardson
<input type="checkbox"/>	P. Attariwala
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily

APPROVAL 97-07-008

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

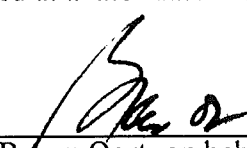
IN THE MATTER of a Concurrent Production scheme with Good Engineering Practice (GEP) of Remington Energy Ltd. (Remington) for producing the Stoddart West Doig 'D' Pool with a project oil and gas allowable.

NOW, THEREFORE, the Division Head, pursuant to section 97 of the Petroleum and Natural Gas Act (the Act), hereby approves a Concurrent Production project of Remington for oil and gas production with project allowables, as such project is described in

an Application from Remington Energy Ltd. to the Division dated March 11, 1997, 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 N/2 sec 32-87-21, SW/4 sec 4 and S/2 sec 5-88-21 W6M.
2. The project daily oil allowable is 400.0 m³.
3. Gas production from the scheme is limited to 480.0 e³ m³/d.
4. Any well exceeding a GOR of 1200 m³/m³ must be shut-in.
5. All gas produced must be conserved.
6. 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.
7. Royalty-exempt oil production from the discovery well Remington W Stoddart 16-32-87-21W6M (WA# 9611) is limited to a volume of 10, 183.6 m³ or the volume produced in the first 36 producing months, whichever is lesser. This volume cap may be subject to review and amendment following additional production data.
8. This approval may be modified or rescinded at a later date if deemed appropriate.



B. 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 2nd day of June, 1997.