



BRITISH
COLUMBIA

April 6, 1998

980353

2400-4805-59240-07

Mr. Greg Piotrowicz
Senior Development Engineer
Rigel Oil & Gas Ltd.
1900 255 5th Ave SW
Calgary AB T2P 3G6

Copies for Approval Letter to Industry (11)

RE: GEP, Salt Water Disposals, etc.

<input type="checkbox"/>	G. Miltenberger
<input 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"/>	Wellfiles (originals)
<input type="checkbox"/>	Daily

Dear Mr. Piotrowicz:

**RE: CONCURRENT PRODUCTION WITH
GOOD ENGINEERING PRACTICE
BUICK CREEK LOWER HALFWAY "K" POOL**

The Ministry has reviewed your letter dated March 27, 1998 concerning production from the Buick Creek Lower Halfway "K" pool by Canadian Natural Resources Ltd. (CNRL).

The Concurrent Production with Good Engineering Practice (GEP) scheme approval originally issued to CNRL on December 17, 1996 has been amended to address the control of lease line wells. In accordance with section 76(8) of the *Drilling and Production Regulation*, the lease line well a-58-I/94-A-11 (WA# 9766) is restricted to its previously approved individual well daily oil allowable of 54.7 m³/d.

Please note that, upon application, Rigel Oil & Gas Ltd. would be eligible for a scheme approval for production of oil and gas from developed lands in the pool based on the same methodology.

Should you have any questions, please call Peter Attariwala at (250) 952-0311.

Yours sincerely,

Bou van Oort, P. Eng.
Director
Engineering and Operations Branch

PSA/mef

Attachment