



June 24, 1997

4700-8200-59240-07
970610

Ms. Iska Kolackovsky
Engineering Technician
Penn West Petroleum Ltd.
800, 111 - 5th Avenue SW
Calgary, AB T2P 3Y6

Penn West Project (02)

Dear Ms. Kolackovsky:

**RE: CONCURRENT PRODUCTION APPROVAL
HELMET JEAN MARIE "J" POOL**

This refers to your application of June 6, 1997 requesting a Concurrent Production scheme approval for the Helmet Jean Marie "J" single well pool.

The Approval 97-07-009 is hereby granted under section 97 of the *Petroleum and Natural Gas Act*.

Please note that this approval will be reviewed within one year, at which time it may be modified or rescinded. Also, project production allowables may be modified if additional wells are completed within this pool.

Yours sincerely,

B. van Oort
Director
Engineering and Operations Branch

RS/mef

Attachment

- 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

APPROVAL 97-07-009

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

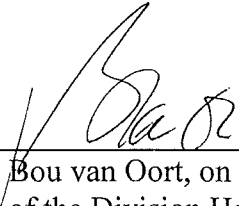
IN THE MATTER of a Concurrent Production proposal of Penn West Petroleum Ltd. (Penn West) for producing the Helmet Jean Marie "J" Pool with a project oil and gas allowable.

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

an Application from Penn West to the Division dated June 6, 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 units 78, 79, 88 and 89 Block A/94-P-11.
2. The project daily oil allowable is waived.
3. The project gas production limit is $90.0 \times 10^3 \text{ m}^3/\text{d}$.
4. All associated gas production must be conserved.
5. The project shall be deemed to have commenced upon conservation of gas referred to in clause 4, with the ministry being notified in writing of the date of commencement.
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 Penn West Helmet a-78-A/94-P-11 (WA# 9603) is limited to a volume of $2,744 \text{ m}^3$ 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.



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 24th day of June, 1997.