



November 24, 2009

2000-4520-59240-07

Michael Fabi  
VP Engineering  
Twin Butte Energy Ltd.  
600, 324 – 8<sup>th</sup> Avenue S.W.  
Calgary AB T2P 2Z2

Dear Mr. Fabi:

**RE: CONCURRENT PRODUCTION, AMENDMENT #1**  
**BOUNDARY LAKE – CECIL “F” POOL**

Commission staff have reviewed your application, dated September 25, 2009, requesting an amendment to the Concurrent Production approval for the subject oil pool.

The Boundary Lake – Cecil “F” is a single well oil pool, producing from the well TBE Boundary 10-31-84-14 W6M (WA #21839). Production from the subject well commenced in February 2007 with a daily oil allowable of 10.0 m<sup>3</sup>. On May 14, 2009, the Commission issued a concurrent production approval, removing the daily oil allowable and establishing a daily gas limit of 5.0 10<sup>3</sup> m<sup>3</sup>. Pressure and production data indicates that the subject oil pool is of limited size and oil recovery would benefit from continuous production operations.

A project gas limit of 7.0 10<sup>3</sup> m<sup>3</sup>/d has been established and should allow economic production on a continuous but controlled basis.

Attached is Approval 09-07-002 Amendment #1, granted under Section 97 of the Petroleum and Natural Gas Act. This approval will allow flexibility in production management to maximize pool oil recovery.

Should you have any questions, please contact the undersigned at (250) 419-4421 or Travis Mercure at (250) 419-4448.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb'.

Richard Slocomb, P.Eng.  
Supervisor, Reservoir Engineering  
Resource Conservation

Attachment

APPROVAL 09-07-002 (AMENDMENT #1)

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

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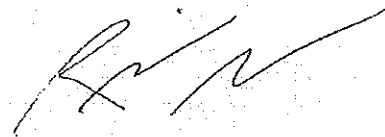
IN THE MATTER of a Concurrent Production scheme of Twin Butte Energy Ltd. (Twin Butte) for producing a portion of the Boundary Lake Cecil "F" pool without an oil allowable restriction.

NOW, THEREFORE, the Commission, pursuant to Section 97 of the Petroleum and Natural Gas Act, hereby amends the Concurrent Production scheme of Twin Butte for oil and gas production without an oil allowable, as such scheme is described in

*Applications to the Commission dated March 27, 2009, September 25, 2009, and related submissions.*

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

1. The area of the scheme shall consist of ;  
84-14W6M – E/2 Section 31
2. The project daily oil allowable is waived.
3. Gas production is limited to  $7.0 \times 10^3 \text{m}^3/\text{d}$ .
4. All produced gas must be conserved.
5. The requirements of Section 9 of the Drilling and Production Regulation are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved area.
6. This approval may be modified or rescinded at a later date if deemed appropriate.



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Richard Slocomb  
Supervisor, Reservoir Engineering  
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 24 day of November, 2009.