

2960-4520-59240-06 970424

Encal Project (04)

April 28, 1997

Mr. Darrell Wardberg, P. Eng. Area Engineer Encal Energy Ltd. 1800, 421 - 7th Ave SW Calgary, AB T2P 4K9

Dear Mr. Wardberg:

Copies of 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

Daily

RE: GOOD ENGINEERING PRACTICE APPROVAL CECIL CECIL "E" POOL

Attached is a Good Engineering Project (GEP) scheme approval for the subject pool as requested in your application of April 3, 1997.

The Approval 97-06-004 is hereby granted under Part 8, Division 6, section 104 of the British Columbia *Drilling and Production Regulation*.

Conservation of gas is not presently required but may become a condition of approval should gas rates increase significantly.

Yours sincerely,

Bou van Oort

Engineering and Operations Branch

Attachment

Director

APPROVAL 97-06-004

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 Good Engineering Practice (GEP) project of Encal Energy Ltd. (Encal) for producing the Cecil Lake Cecil "E" oil pool without a project oil allowable.

NOW, THEREFORE, the Division Head, pursuant to Part 8, Division 6, section 104 of the *Drilling and Production Regulation*, hereby approves a GEP project of Encal for operating oil wells without a project allowable, as such scheme is described in:

an Application from Encal to the Division dated April 3, 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 E/2 Section 20 Township 84 Range 17 W6M.
- 2. The project daily oil allowable is waived.
- 3. 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.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

Bou van Oórt, on behalf of

the Division Head

Energy and Minerals Division

DATED AT the City of Victoria, in the Province of British Columbia, this 28 day of April, 1997.