



BRITISH
COLUMBIA

8000-4580-59240-07
980300

March 12, 1998

Mr. Dennis Taylor
Senior Engineering Technologist
Calahoo Petroleum Ltd.
400, 407 - 2nd Street SW
Calgary AB T2P 2Y3

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

Dear Mr. Taylor:

Calahoo Project (02)

**RE: CONCURRENT PRODUCTION APPROVAL
STODDART NORTH PINE "F" POOL**

Attached is a Concurrent Production scheme approval for a portion of the subject pool as requested in your application dated April 4, 1997.

The Approval 98-07-002 is hereby granted under section 97 of the Petroleum and Natural Gas Act.

This application was denied earlier pending further pool delineation and resolution of equity concerns. The Ministry encourages the pool operators to evaluate the feasibility of a secondary production scheme. Should an enhanced recovery scheme not be proposed within the following year, reservoir performance data will be reviewed and this approval may be modified or rescinded, as per condition #5.

Sincerely,

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

Attachment

Ministry of
Employment
and Investment

Energy and Minerals Division
Engineering and Operations Branch

Mailing Address:
PO Box 9326 Stn Prov Govt
Victoria BC V8W 9N3

Location:
Sixth Floor
1810 Blanshard Street
Victoria



APPROVAL 98-07-002

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


IN THE MATTER of a Concurrent Production proposal of Calahoo Petroleum Ltd. (Calahoo) for producing a portion of the Stoddart North Pine "F" 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 Calahoo for oil and gas production with project allowables, as such project is described in

an Application from Calahoo to the Division dated April 4, 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 the S/2 and NW/4 of Section 12 and the SW/4 of Section 13-86-19 W6M.
2. The project oil allowable, based on the sum of the individual wells, is 40.0 m³/d.
3. The project gas production limit, based on double the base GOR, is 14.2 10³m³ /d.
4. All associated gas production must be conserved.
5. 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 12th day of March, 1998.