

November 19, 1999

3600-4580-59240-07 OGC 990518

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

Calahoo Projects (04) "C"
(06) "D"

Dear Mr. Taylor:

RE: CONCURRENT PRODUCTION WITH GOOD ENGINEERING PRACTICE APPROVAL AMENDMENTS

FORT ST JOHN NORTH PINE "C" AND "D" POOLS

Attached are amendments to the Concurrent Production Approval with Good Engineering Practice for Calahoo operated projects in the subject pools.

Following a meeting with Petro-Canada staff on October 25, 1999, a detailed geological, geophysical and engineering review was carried out for the Fort St John North Pine "A" pool. Based on this review, we have concluded that an E-W fault exists just to the north of section 25 and 26–83-18 W6M. As a result the well 8-35-83-18 W6M (WA 8814) has now been removed from the North Pine "A" pool and mapped in the North Pine "C" pool.

Reserves based oil and gas allowables have now been recalculated for the oil and gas-cap mapped within the Petro-Canada Unit #1 of the North Pine "A" pool and Calahoo operated project area of the North Pine "A", "C" and "D" pools. Accordingly, the approvals are hereby amended and Approval 87-07-01 (Amendment #1) and Approval 87-07-002 (Amendment #1) granted under section 97 of the Petroleum and Natural Gas Act.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310.

Sincerely	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.
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	Wellfile (originals)
D von Cont D Eur	59240
B. van Oort, P. Eng.	Daily
Director	Resource Revenue
Engineering and Geology Branch	R. Stefik
-	G. Farr
	P. Attariwala
Attachment	C. Gibson
	D. Krezanoski
	S. Chicorelli

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291 Location: 6th Fir 1810 Blanshard St, Victoria BC

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

IN THE MATTER of a Concurrent Production proposal of Calahoo Petroleum Ltd (Calahoo) for producing from the Fort St. John North Pine "C" Pool with project oil and gas allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the <u>Petroleum and Natural Gas Act</u> (the Act), hereby approves an amendment to the Concurrent Production project of Calahoo for oil and gas production with project allowables.

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

- 1. The area of the project shall consist of S/2 sec 35 and sec 36-83-18 W6M.
- 2. The reserves based project oil allowable is 20 m³/d.
- 3. The reserves based project gas allowable is 12.2 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

Director

Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this /9 day of November, 1999.

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

IN THE MATTER of a Concurrent Production proposal of Calahoo Petroleum Ltd. (Calahoo) for producing from the Fort St. John North Pine "D" Pool with project oil and gas allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the <u>Petroleum and Natural Gas Act</u> (the Act), hereby approves an amendment to the Concurrent Production project of Calahoo for oil and gas production with project allowables.

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

- 1. The area of the project shall consist of sec 31-83-17 W6M and E/2 sec 36-83-18 W6M.
- 2. The reserves based project oil allowable is 20 m³/d.
- 3. The reserves based project gas allowable is 8.5 10³ m³/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

Director

Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this | | day of November, 1999.