

Copies for Approval Letters to Industry (11) RE: Application for Concurrent Production G.Miltenberger Resource Revenue Data Mgmt P.S. Attariwala R. Stefik G. Farr D. Richardson S. Chicorelli Wellfile (originals) 59240-07	8100-4900-59240-07 980612
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Remington Project (03)

July 27, 1998

Mr. Neil Roszell, P. Eng. Senior Engineer Remington Energy Ltd. 600, 550 - 6th Avenue SW Calgary AB T2P 0S2

Dear Mr. Roszell:

RE: AMENDMENT TO THE CONCURRENT PRODUCTION WITH GOOD ENGINEERING PRACTICE; STODDART WEST - DOIG 'D' POOL

Attached is a Concurrent Production with Good Engineering Practice (GEP) approval amendment for the subject pool, as requested in your application dated July 17, 1998.

The Approval #97-07-008 (Amendment #1) is hereby granted under section 97 of the <u>Petroleum</u> and Natural Gas Act.

This approval is intended to allow operational flexibility in order to obtain additional production for performance evaluation. It should be noted that this approval may be amended if a third-party study currently being performed by Adams Pearson Associates Inc. establishes that the Stoddart West Doig "D" pool is in communication with the Doig "E" pool. Also, the project allowables may be amended if an oil well outside the project area is successfully completed in the subject pool by another operator.

Yours sincerely,

Bou van Oort, P.Eng.

Director

Engineering and Operations Branch

PSA/mef

Attachment

APPROVAL 97-07-008 (AMENDMENT #1)

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

IN THE MATTER of a Concurrent Production project with Good Engineering Practice (GEP) of Remington Energy Ltd. (Remington) for producing the Stoddart West Doig 'D' Pool with a project oil and gas allowable.

NOW, THEREFORE, the Division Head, 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 Remington for oil and gas production with project allowables, as such project is described in

an Application from Remington Energy Ltd. to the Division dated July 17, 1998, 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 N/2 sec 32-87-21, SW/4 sec 4 and S/2 sec 5-88-21 W6M.
- 2. The project daily oil allowable is 400.0 m³.
- 3. Gas production from the project is limited to 480.0 e³ m³/d.
- 4. All produced gas must be conserved.
- 5. A 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.
- 6. Royalty-exempt oil production from the discovery well Remington W Stoddart 16-32-87-21W6M (WA# 9611) is limited to a volume of 8,893.5 m³ or the volume produced in the first 36 producing months, whichever is lesser.
- 7. This approval may be modified or rescinded at a later date if deemed appropriate.

B. 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 27th day of July, 1998.