

March 9, 2000

8300-48000-59240-06 OGC - 000086

Ms. Bev Prefontaine Reservoir Technologist, Consultant Encal Energy Ltd. 1800, 421 Seventh Ave S.W. Calgary AB T2P 4K9

Placed Project (05)

Dear Ms. Prefontaine:

RE: GOOD ENGINEERING PRACTICE APPROVAL BLOWDOWN OF GAS CAP

WEASEL HALFWAY "C" POOL

This acknowledges receipt of your applications dated February 7 and 24, 2000 requesting approval to blowdown the gas cap in the Weasel Halfway "C" pool.

A Good Engineering Practice approval with controlled gas cap production was originally approved on September 14, 1977 for the well d-28-G/94-H-2.

Both Encal Energy Ltd. and Canadian Natural Resources Limited have jointly made the subject application for uncontrolled blowdown of the gas cap. The Commission agrees that oil production from the Weasel Halfway Unit #1, operated by Encal, has reached an advanced stage of depletion and that a water fence created between the Unit and the gas cap is still intact. Also, all wells within the Unit #2, operated by CNRL, have been suspended or abandoned.

In view of the above, uncontrolled gas production from the CNRL and Encal operated projects within the gas cap is now considered appropriate. Attached is an amendment to the Good Engineering Practice for Encal project.

The Approval 77-06-003 (Amendment #4) is hereby granted under Part 8, Division 6, section 101 of the British Columbia *Drilling and Production Regulation*.

Sincerely,	İ
Para la	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.
B. van Oort, P. Eng.	Copy 10
Director	Wellfile (originals)
Engineering and Geology Branch	59240
	Daily
Aug. 1	Resource Revenue
Attachment	S. Chicorelli
	R. Stefik
ENGINEERING AND GEOLOGY BRA	G. Farr
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 9	P. Attariwala
Location: 6 th FIr 1810 Blanshard St, Victo	C. Gibson
Headquarters: #200, 10003 110 th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-572	D. Krezanoski

APPROVAL 77-06-003 (AMENDMENT #4)

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

IN THE MATTER of a Good Engineering Practice (GEP) of Encal Energy Ltd. (Encal) for producing the Weasel Halfway "C" pool gas cap without a project gas allowable.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, section 101 of the *Drilling and Production Regulation* hereby approves an amendment to the Good Engineering Practice for concurrent production of gas cap without a gas allowable, as such project is described in

an Application from Encal to the Commission dated February 7, 2000 and February 24, 2000 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 units 18, 19, 28 and 29 of Block G/94-H-2.
- 2. The project daily gas allowable is waived.
- 3. The requirements of section 9 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 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 Oort

Director

Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this god day of March, 2000.