



December 22, 2000

7900-4580-59240-13  
OGC - 000299

Heather Christie Burns, P. Eng.  
Senior Reservoir Engineer  
Encal Energy Ltd.  
1800, 421 Seventh Ave S.W.  
Calgary AB T2P 4K9

*Encal Project (02)*

Dear Ms. Burns:

**RE: PRODUCED GAS RE-INJECTION SCHEME APPROVAL, AMENDMENT #1  
SQUIRREL NORTH PINE "C" POOL**

The Commission has reviewed your application dated December 14, 2000 requesting an amendment to the produced gas re-injection scheme in the subject pool.

The Approval 00-13-001 (Amendment #1) is hereby granted under section 100 of the Petroleum and Natural Gas Act. The project area is expanded to include two additional wells, with a commensurate increase in the project allowable. Individual production limits have been removed for a majority of the wells.

As originally approved, the scheme will remain in operation for a period of nine months from the date of commencement of gas re-injection. A final progress report must be submitted at the end of the gas re-injection phase. Please note that the gas re-injection scheme is a temporary one to mitigate pressure decline while the pool is being delineated and a suitable waterflood pressure maintenance scheme assessed and initiated.

Please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310 should you have any questions.

Sincerely,

Craig Gibson, P. Eng.  
Manager  
Reservoir Engineering and Geology

Attachment

Approval Letters to Industry  
GEP, SWD, CONCURRENT PROD,  
PRESSURE MAINTENANCE,  
WATERFLOOD, ETC.

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- D. Krezanoski

**ENGINEERING**  
PO Box 9329 Stn Prov Gov't, Victoria BC  
Location: 6<sup>th</sup> Flr

0291

**APPROVAL 00-13-001 (AMENDMENT #1)**

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

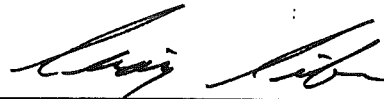
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IN THE MATTER of a produced gas re-injection scheme by Encal Energy Ltd. (Encal), for re-injection of the produced gas into the Squirrel North Pine "C" pool gas cap.

NOW THEREFORE, the Commission, pursuant to section 100 of the Petroleum and Natural Gas Act R.S.B.C. 1996, c.361 orders as follows:

The produced gas re-injection scheme of Encal for partial pressure maintenance of the Squirrel North Pine "C" pool as such scheme is described in the application from Encal to the Commission dated July 13 and December 14, 2000, and related submissions, is hereby amended, subject to the terms herein contained:

1. The scheme area shall be delineated by sec 31-87-19 W6M, N/2 sec 25 , NE/4 sec 35 and sec 36-87-20 W6M and SW/4 sec 1-88-20 W6M
2. The scheme oil allowable, being the sum of the individual well allowables, is 80 m<sup>3</sup>/d.
3. Production from the wells 16-35-87-20 W6M (WA 12990), 13-36-87-20 W6M (WA 13000) and 3-1-88-20 (WA 12884) shall be limited to individual production limits of 10.0 m<sup>3</sup>/d.
4. All produced gas, except fuel gas, will be re-injected into the Squirrel North Pine "C" pool through well 7-31-87-19 W6M (WA 12336).
5. A final Progress Report shall be filed as stipulated in section 8 of the *Petroleum and Natural Gas General Regulation*, at the conclusion of the scheme.
6. The duration of this scheme is for a period of nine months from the date of commencement.
7. The operations of the gas re-injection scheme will be subject to review, and modification to the approval may be ordered, if deemed appropriate.



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Craig Gibson  
Manager  
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 22<sup>nd</sup> day of December 2000.