1980 07 15

Scurry-Rainbow Oil Limited 2300 Home Oil Tower 324 Eighth Avenue, S.W. Calgary, Alberta T2P 2Z5

Attention: Mr. D. J. Nelson

Dear Sir:

Re: Application for Good Engineering Practice and Pressure Maintenance by Waterflooding Eagle Belloy 'F' Pool

This is to advise that your application for Good Engineering Practice (GEP) and pressure maintenance by waterflooding in the Eagle - Belloy 'F' Fool is approved. The approval for a waterflood scheme within the GEP area is granted under Section 116 of the Petroleum and Natural Gas Act and is subject to the following conditions:

The area of GEP is as follows and consists of both Crown and Freehold Lands:

(a) Crown Land Township 84, Range 18 NW 1/4 Section 19, Sections 30, 21, 32 and NW 1/4 Section 33. Township 84, Range 19 N 1/2 Section 23, N 1/2 Section 24, Sections

Freehold Land

Township 85, Range 18

Township 85, Range 19

Section 1, 2, 11 and 12

(2) Leaseholders of freehold lands have informed the freeholders of this proposal and there are no outstanding objections. -

The primary daily oil allowables based on the sum of individual daily oil allowables (not minimum oil rate based on gool depth) are as follows:

 $663.7 \text{ m}_{2}^{3}/\text{d}$ (a) Crown Land -

(b) Freehold Land - 577.6 m³/d Control well restrictions will apply.

Page 2

(Sourry) GEP Project (3)

W 1/2 Section 4, Section 5, 6, 7, 8 and SW 1 4 (Summy) GE Phrojet (4)
Section 9
Thip 85, Range 19
Section 1 2

- (4) Wells completed in the following locations will be used for water injection:
 - 16-30-,16-31 and 16-32-84-18, 16-23, 16-24, 15-25, 16-26, 16-35 and 16-36-84-19, 16-5, 16-6 and 16-7-85-18 and 15-1, 16-2, 16-11 and 16-12-85-19.
- (5) After an initial testing and adjustment period, water will be injected into each injector at rates sufficient to balance fluid withdrawals, by pattern, measured at reservoir conditions at the time of flood start.
- (6) A monthly operations report will be filed with the Petroleum Resources Branch, within thirty days of the end of the report month. This report will contain:
 - (a) A summary of monthly and cumulative production and injection data.
 - (b) A summary of monthly and cumulative reservoir withdrawals and replacement data by pattern.
 - (c) A graphical reservoir history showing complete production and injection data for the project.
- (7) Periodic comprehensive progress reports will be required, as stipulated under Division 104 of the Drilling and Production Regulations.
- (8) The operation of the waterflood scheme will be subject to periodic review and, as a result, modification to the scheme or to this approval may be required by the Chief, Petroleum Resources Branch after discussions with the operators.

Yours truly,

Signed 800721

R. H. McClelland Minister

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