


Manitoba Energy and Mines	Petroleum 555-330 Graham Avenue Winnipeg, Manitoba R3C 4E3	
494	<div><i>Geotek</i></div> <div>FILE: E. ROUTLEDGE UNIT NO.1 ATTENDMENT TO UNIT ORDER</div> <div><i>WHEEN</i></div>	

MG-9815



GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

John

February 25, 1992

Manitoba Energy and Mines
P.O. Box 1359
Virden, Manitoba
ROM 2C0

Attention: Mr. Brad Thiessen
Manager, Petroleum Administration

Dear Sir:

Re: Updated Working Interest Owners Schedule
East Routledge Unit #1
Virden, Manitoba

Enclosed for your files is an updated copy of the working interest owners in East Routledge Unit #1. We will supply your department with updates should there be any additional changes in the future.

Yours very truly

Lachlan J. McLeod
Lachlan J. McLeod

Encl.



**WORKING INTEREST OWNERS INDIVIDUAL TRACT PARTICIPATION
EAST ROUTLEDGE UNIT NO. 1**

TRACT NO.	W.I. OWNER	TRACT PARTICIPATION FACTOR	SHARE OF WORKING INTEREST	SHARE OF TRACT PARTICIPATION
1-10	GEOLOCK	4.22753	50.0000	2.11376500
	ESSO		35.0000	1.47963550
	OCELOT		5.0000	0.21137650
	CHOYA		5.0000	0.21137650
	PIEDMONT		5.0000	0.21137650
8-10	GEOLOCK	3.57419	50.0000	1.78709500
	ESSO		35.0000	1.25096650
	OCELOT		5.0000	0.17870950
	CHOYA		5.0000	0.17870950
	PIEDMONT		5.0000	0.17870950
9-10	GEOLOCK	2.19813	27.0833	0.59532614
	ESSO		16.0416	0.35261522
	PRAIRIE OIL		25.0000	0.54953250
	HIRSHHORN		16.6670	0.36636233
	UNITED REEF		8.3330	0.18317017
	OCELOT		2.2917	0.05037455
	CHOYA		2.2917	0.05037455
	PIEDMONT		2.2917	0.05037455
2-11	GEOLOCK	0.50345	25.0000	0.12586250
	ESSO		17.5000	0.08810375
	CHEVRON		50.0000	0.25172500
	OCELOT		2.5000	0.01258625
	CHOYA		2.5000	0.01258625
	PIEDMONT		2.5000	0.01258625
3-11	GEOLOCK	2.07245	25.0000	0.51811250
	ESSO		17.5000	0.36267875
	CHEVRON		50.0000	1.03622500
	OCELOT		2.5000	0.05181125
	CHOYA		2.5000	0.05181125
	PIEDMONT		2.5000	0.05181125
4-11	GEOLOCK	3.40836	25.0000	0.85209000
	ESSO		17.5000	0.59646300
	CHEVRON		50.0000	1.70418000
	OCELOT		2.5000	0.08520900
	CHOYA		2.5000	0.08520900
	PIEDMONT		2.5000	0.08520900

5-11	GEOLOCK	3.69730	25.0000	0.92432500
	ESSO		17.5000	0.64702750
	CHEVRON		50.0000	1.84865000
	OCELOT		2.5000	0.09243250
	CHOYA		2.5000	0.09243250
	PIEDMONT		2.5000	0.09243250
6-11	GEOLOCK	4.51867	25.0000	1.12966750
	ESSO		17.5000	0.79076725
	CHEVRON		50.0000	2.25933500
	OCELOT		2.5000	0.11296675
	CHOYA		2.5000	0.11296675
	PIEDMONT		2.5000	0.11296675
7-11	GEOLOCK	4.53441	25.0000	1.13360250
	ESSO		17.5000	0.79352175
	CHEVRON		50.0000	2.26720500
	OCELOT		2.5000	0.11336025
	CHOYA		2.5000	0.11336025
	PIEDMONT		2.5000	0.11336025
8-11	GEOLOCK	4.25913	25.0000	1.06478250
	ESSO		17.5000	0.74534775
	CHEVRON		50.0000	2.12956500
	OCELOT		2.5000	0.10647825
	CHOYA		2.5000	0.10647825
	PIEDMONT		2.5000	0.10647825
10-11	GEOLOCK	0.60194	25.0000	0.15048500
	ESSO		17.5000	0.10533950
	CHEVRON		50.0000	0.30097000
	OCELOT		2.5000	0.01504850
	CHOYA		2.5000	0.01504850
	PIEDMONT		2.5000	0.01504850
11-11	GEOLOCK	1.65497	25.0000	0.41374250
	ESSO		17.5000	0.28961975
	CHEVRON		50.0000	0.82748500
	OCELOT		2.5000	0.04137425
	CHOYA		2.5000	0.04137425
	PIEDMONT		2.5000	0.04137425
12-11	GEOLOCK	1.59075	25.0000	0.39768750
	ESSO		17.5000	0.27838125
	CHEVRON		50.0000	0.79537500
	OCELOT		2.5000	0.03976875
	CHOYA		2.5000	0.03976875
	PIEDMONT		2.5000	0.03976875

13-11	GEOLOCK	0.16950	25.0000	0.04237500
	ESSO		17.5000	0.02966250
	CHEVRON		50.0000	0.08475000
	OCELOT		2.5000	0.00423750
	CHOYA		2.5000	0.00423750
	PIEDMONT		2.5000	0.00423750
14-11	GEOLOCK	0.60393	25.0000	0.15098250
	ESSO		17.5000	0.10568775
	CHEVRON		50.0000	0.30196500
	OCELOT		2.5000	0.01509825
	CHOYA		2.5000	0.01509825
	PIEDMONT		2.5000	0.01509825
15-11	GEOLOCK	9.42445	25.0000	2.35611250
	ESSO		17.5000	1.64927875
	CHEVRON		50.0000	4.71222500
	OCELOT		2.5000	0.23561125
	CHOYA		2.5000	0.23561125
	PIEDMONT		2.5000	0.23561125
5-12	GEOLOCK	1.83004	50.000	0.91502000
	RANCHMEN'S		25.000	0.45751000
	OAKWOOD		25.000	0.45751000
5-13	GEOLOCK	2.37288	50.000	1.18644000
	RANCHMEN'S		25.000	0.59322000
	OAKWOOD		25.000	0.59322000
1-14	GEOLOCK	2.13603	50.000	1.06801500
	RANCHMEN'S		25.000	0.53400750
	OAKWOOD		25.000	0.53400750
2-14	GEOLOCK	4.26967	50.000	2.13483500
	RANCHMEN'S		25.000	1.06741750
	OAKWOOD		25.000	1.06741750
3-14	GEOLOCK	4.13644	25.0000	1.03411000
	ESSO		17.5000	0.72387700
	CHEVRON		50.0000	2.06822000
	OCELOT		2.5000	0.10341100
	CHOYA		2.5000	0.10341100
	PIEDMONT		2.5000	0.10341100

6-14	GEOLOCK	3.85203	25.0000	0.96300750
	ESSO		17.5000	0.67410525
	CHEVRON		50.0000	1.92601500
	OCELOT		2.5000	0.09630075
	CHOYA		2.5000	0.09630075
	PIEDMONT		2.5000	0.09630075
7-14	GEOLOCK	5.02515	50.000	2.51257500
	RANCHMEN'S		25.000	1.25628750
	OAKWOOD		25.000	1.25628750
8-14	GEOLOCK	10.31383	50.000	5.15691500
	RANCHMEN'S		25.000	2.57845750
	OAKWOOD		25.000	2.57845750
9-14	GEOLOCK	6.18710	50.000	3.09355000
	RANCHMEN'S		25.000	1.54677500
	OAKWOOD		25.000	1.54677500
10-14	GEOLOCK	7.90708	50.000	3.95354000
	RANCHMEN'S		25.000	1.97677000
	OAKWOOD		25.000	1.97677000
11-14	GEOLOCK	4.93059	50.000	2.46529500
	RANCHMEN'S		25.000	1.23264750
	OAKWOOD		25.000	1.23264750
		100.00000		100.00000

INTERESTS AS AT FEBRUARY 24, 1992

**EAST ROUTLEDGE UNIT # 1
UNIT PARTICIPATION
WORKING INTEREST OWNER SCHEDULE**

Working Interest Owner

Oakwood Petroleums Ltd.....	11.24309
Esso Resources Canada.....	11.75660
Chevron Canada Resources Limited.....	20.24669
Estate Of Mr. Joseph H. Hirshhorn.....	0.36636
Prairie Oil Royalties Ltd.....	0.54953
Ranchmen's Resources Ltd.....	11.24309
Geolock Resources Ltd.....	39.37291
United Reef Petroleums Ltd.....	0.18317
Ocelot Industries Ltd.....	1.67952
Choya Petroleums Ltd.....	1.67952
Piedmont Holdings Ltd.....	1.67952
TOTAL INTEREST.....	100.00000%

REVISION EFFECTIVE FEBRUARY 1, 1990

GEOLock

RESOURCES LTD.

INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

Letter Agreement dated March 21/94 requesting approval of W.I. & R.I. holders to amend definition of "Unitized Strata" to include all of the Lodgepole Formation.

I. Royalty Owners

<u>Name</u>	<u>Approved</u>	<u>Opposed</u>	<u>Abstained</u>
Montreal Trust (Elsmay ORI) ✓	X		
Montreal Trust (Fontana ORI) ✓	X		
Canada Trust (Four F Royalty) ✓	X		
The Winnipeg Foundation ✓	X		
Gaston J. Plaiser ✓	X		
Northrock Resources	X		
Eleanor Lamont ✓	X		
Ralph F. Atkinson ✓	X		
Steve Hegion ✓	X		
Lee Otis Robinson ✓	X		
Cynthia D. Slevin ✓	X		
Dorothy Plaiser ✓	X		
August G. Plaiser ✓	X		
Canadian Capital Financial Markets ✓	X		
Wilson Exploration & Development ✓	X		
Unknown Interest			X

II. Working Interest Owners

<u>Name</u>	<u>Approved</u>	<u>Opposed</u>	<u>Abstained</u>
United Reef Limited ✓	X		
Mark Resources Inc. ✓	X		
Piedmont Holdings Ltd. ✓	X		
2923572 Canada Inc. ✓	X		
Corvair Oils Ltd. ✓	X		
Methanex Corporation ✓	X		
Frobisher Petroleum Ltd. ✓	X		
Prairie Oil Royalties Company Ltd. ✓	X		
Choya Petroleum Ltd. ✓	X		
Geolock Resources Ltd. ✓	X		
The Estate Of Joseph Hirshhorn			X

(did not sign letter agreement - deemed affirmative through mail ballot)

GEOLOCK RESOURCES LTD.

INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

RECEIVED
March 21, 1994

March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

As you are all aware, the subject Unit was formed on July 21, 1971, when the Cherty Zone of the Lodgepole Formation (Mississippian in age) was unitized in an attempt to maximize oil recovery by waterflooding the unitized zone. The project has been successful. Oil production to date has totalled 3 million barrels, or 32.9 % of the original estimates of oil in place.

This Unit is now nearing the end of its economic life, with production averaging 92 barrels of oil and 1820 barrels of water per day. The dramatic drop in the price received for each barrel of oil, if not reversed, will undoubtedly hasten the economic demise of the project.

In an attempt to maintain the viability of the Unit through increased production, we have conducted a geologic review of the field to determine whether or not additional zones above the Cherty Zone could be perforated in existing well bores. As a result of this study, the Sandhills and Oolitic Zones were perforated in the 5-11-9-25 WPM Unit well resulting in a production of 15 barrels of oil and 500 barrels of water per day.

It is evident, in view of the large volumes of water produced, that the waterflood has affected the entire Lodgepole Formation through an extensive natural fracture system. It is also evident, as a result of the 5-11 experience, that the drilling of new wells by leasehold working interest owners in an effort to produce oil from non-unitized zones would be completely uneconomic.

Our studies indicate that there are at least two, and possibly four, additional Unit wells that, if perforated in the upper zones and production processed through existing Unit facilities, could add a total of 40 to 60 barrels of oil per day at a total estimated cost of less than \$100,000, thus extending Unit life. It is our intention, as Unit operator, to recommend this work to the Unit working interest owners.

Conversations with the Petroleum branch of Manitoba Energy and Mines indicate that the East Routledge Unit is the only secondary Unit in the Province that restricted the unitized substances to those contained within less than the entire Lodgepole Formation. They have further indicated that they would look with favour on an

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.

For your information, we have enclosed a copy of page 3 of the Plan for Unit Operation of the East Routledge Unit No. 1 dated July 21, 1971. This is a portion of Part I, Interpretation, Definition, 1:02 (v), "Unitized Strata".

We request your approval to amend this definition of "Unitized Strata" to read as follows:

- (v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Lodgepole Formation and which is the same Formation encountered between the depths of 1960' and 2113' as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at Lsd. 7 in Section 11, Township 9 North, Range 25, West of the First Meridian in the Province of Manitoba.

As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

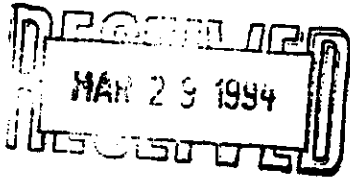
Agreed To and Approved

this 16 day of June, 1994.

Elsmay OLT (Montreal Trust)
Royalty Interest Owner

By HSnell

Title Administrator



GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

March 21, 1994

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 16 day of June, 1994.

L. Fontana RT (Montreal Trust)
Royalty Interest Owner

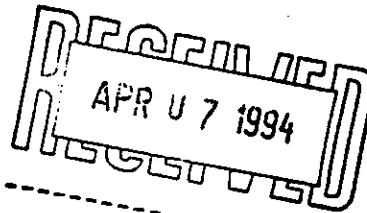
By K. Smith

Title Administrator

GEOLOCK

RESOURCES LTD.

INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION



March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

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Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 16 day of June, 1994.

Frederic R. (Montreal) (Canada) Trust
Royalty Interest Owner

By H. Smith

Title Administrator

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Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 6th day of JUNE, 1994.

THE WINNIPEG FOUNDATION
Royalty Interest Owner

By [Signature]

Title CORPORATE SECRETARY

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Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 28 day of April, 1994.

Horton J. Plaisier
Royalty Interest Owner

By _____

Title _____

GEOLOCK
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INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

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In an attempt to maintain the viability of the Unit through increased production, we have conducted a geologic review of the field to determine whether or not additional zones above the Cherty Zone could be perforated in existing well bores. As a result of this study, the Sandhills and Oolitic Zones were perforated in the 5-11-9-25 WPM Unit well resulting in a production of 15 barrels of oil and 500 barrels of water per day. 97% water

It is evident, in view of the large volumes of water produced, that the waterflood has affected the entire Lodgepole Formation through an extensive natural fracture system. It is also evident, as a result of the 5-11 experience, that the drilling of new wells by leasehold working interest owners in an effort to produce oil from non-unitized zones would be completely uneconomic.

Our studies indicate that there are at least two, and possibly four, additional Unit wells that, if perforated in the upper zones and production processed through existing Unit facilities, could add a total of 40 to 60 barrels of oil per day at a total estimated cost of less than \$100,000, thus extending Unit life. It is our intention, as Unit operator, to recommend this work to the Unit working interest owners.

Conversations with the Petroleum branch of Manitoba Energy and Mines indicate that the East Routledge Unit is the only secondary Unit in the Province that restricted the unitized substances to those contained within less than the entire Lodgepole Formation. They have further indicated that they would look with favour on an

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.

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We request your approval to amend this definition of "Unitized Strata" to read as follows:

- (v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Lodgepole Formation and which is the same Formation encountered between the depths of 1960' and 2113' as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at Lsd. 7 in Section 11, Township 9 North, Range 25, West of the First Meridian in the Province of Manitoba.

As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 21st day of April, 1994.

Eleanor Lammach
Royalty Interest Owner

By _____

Title _____

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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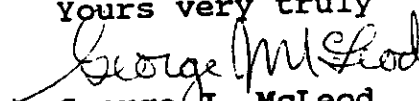
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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly


George J. McLeod

Agreed To and Approved

this 12th day of APRIL, 1994.

RALPH FERGUSON ATKINSON
Royalty Interest Owner

By R. J. McLeod

Title OWNER

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 6th day of APRIL, 1994.

STEVE HEGION
Royalty Interest Owner

By *Steve Hegion*

Title Same

GEOLOCK

RESOURCES LTD.

INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

As you are all aware, the subject Unit was formed on July 21, 1971, when the Cherty Zone of the Lodgepole Formation (Mississippian in age) was unitized in an attempt to maximize oil recovery by waterflooding the unitized zone. The project has been successful. Oil production to date has totalled 3 million barrels, or 32.9 % of the original estimates of oil in place.

This Unit is now nearing the end of its economic life, with production averaging 92 barrels of oil and 1820 barrels of water per day. The dramatic drop in the price received for each barrel of oil, if not reversed, will undoubtedly hasten the economic demise of the project.

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It is evident, in view of the large volumes of water produced, that the waterflood has affected the entire Lodgepole Formation through an extensive natural fracture system. It is also evident, as a result of the 5-11 experience, that the drilling of new wells by leasehold working interest owners in an effort to produce oil from non-unitized zones would be completely uneconomic.

Our studies indicate that there are at least two, and possibly four, additional Unit wells that, if perforated in the upper zones and production processed through existing Unit facilities, could add a total of 40 to 60 barrels of oil per day at a total estimated cost of less than \$100,000, thus extending Unit life. It is our intention, as Unit operator, to recommend this work to the Unit working interest owners.

Conversations with the Petroleum branch of Manitoba Energy and Mines indicate that the East Routledge Unit is the only secondary Unit in the Province that restricted the unitized substances to those contained within less than the entire Lodgepole Formation. They have further indicated that they would look with favour on an

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.


For your information, we have enclosed a copy of page 3 of the Plan for Unit Operation of the East Routledge Unit No. 1 dated July 21, 1971. This is a portion of Part I, Interpretation, Definition, 1:02 (v), "Unitized Strata".

We request your approval to amend this definition of "Unitized Strata" to read as follows:

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly


George J. McLeod

Agreed To and Approved

this 30 day of March, 1994.



Royalty Interest Owner

By _____

Title _____

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 7th day of April, 1994.

Cynthia Lee Skene

Royalty Interest Owner

By _____

Title _____

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 2nd day of April, 1994.

Mrs. Dorothy P. Pius
Royalty Interest Owner

By _____

Title _____

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 30th day of March, 1994.

August S. P. Lussier
Royalty Interest Owner

By _____

Title _____

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 30 day of MARCH, 1994.

CANADIAN CAPITAL FINANCIAL MARKETS (C.C.F.) INC
Royalty Interest Owner

By V. D. [Signature]

Title CHAIRMAN

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly


George J. McLeod

Agreed To and Approved

this 14 day of JUNE, 1994.


Working Interest Owner

By _____

Title _____

2

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 27 day of April, 1994.

Northrock Resources Ltd
Royalty Interest Owner

By *[Signature]*

Title Manager of Engineering

John
Mr. John
Fox

GEOLOCK

RESOURCES LTD.

INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

Letter Agreement dated March 21/94 requesting approval of W.I. & R.I. holders to amend definition of "Unitized Strata" to include all of the Lodgepole Formation.

I. Royalty Owners

<u>Name</u>	<u>Approved</u>	<u>Opposed</u>	<u>Abstained</u>
Montreal Trust (Elsmay ORI)	X		
Montreal Trust (Fontana ORI)	X		
Canada Trust (Four F Royalty)	X		
The Winnipeg Foundation	X		
Gaston J. Plaiser	X		
Northrock Resources	X		
Eleanor Lamont	X		
Ralph F. Atkinson	X		
Steve Hegion	X		
Lee Otis Robinson	X		
Cynthia D. Slevin	X		
Dorothy Plaiser	X		
August G. Plaiser	X		
Canadian Capital Financial Markets	X		
Wilson Exploration & Development	X		
Unknown Interest			X

II. Working Interest Owners

<u>Name</u>	<u>Approved</u>	<u>Opposed</u>	<u>Abstained</u>
United Reef Limited	X		
Mark Resources Inc.	X		
Piedmont Holdings Ltd.	X		
2923572 Canada Inc.	X		
Corvair Oils Ltd.	X		
Methanex Corporation	X		
Frobisher Petroleums Ltd.	X		
Prairie Oil Royalties Company Ltd.	X		
Choya Petroleums Ltd.	X		
Geolock Resources Ltd.	X		
The Estate Of Joseph Hirshhorn			X

06/18/94 13:00

4163688957

COULTER & ASSOC.

000



UNITED REEF
LIMITED

Suite 600
15 Toronto Street
Toronto, Ontario M5C 2E3
Tel: (416) 368 0993
Fax: (416) 368 8957

PLEASE DELIVER THE FOLLOWING PAGE(S) TO:

DATE: August 18, 1994

NAME: Mr. George McLeod

COMPANY: Geolock Resources Ltd.

FAX #: (403) 269-5278

FROM: Mr. Kenneth Johnson

TOTAL NUMBER OF PAGES 5 (INCLUDING COVER PAGE).

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL BACK AS SOON AS POSSIBLE.

Dear Mr. McLeod:

Please find attached an executed copy of the letter agreement dated March 21st, 1994.

If you require any further information from our company with regards to the sale of this unit please do not hesitate to contact either Michael Coulter or myself.

Yours truly,

United Reef Ltd.


Kenneth W. Johnson
Vice President, Exploration

FAXED
Aug 19/94

10:40am

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

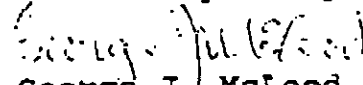
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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

 George J. McLeod

Agreed To and Approved

this 29 day of JULY, 1994.

United Reef Limited
 Working Interest Owner

By 
 Title Vice President, Exploration

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Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 18 day of May, 1994.

UNITIZED STRATA INC

Working Interest Owner

By

Gud Suer

Title

ST Ventures

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Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 16th day of May, 1994.

PIEDMONT HOLDINGS LTD.
Working Interest Owner

By

Title

Ray J. Hulse
President

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.

For your information, we have enclosed a copy of page 3 of the Plan for Unit Operation of the East Routledge Unit No. 1 dated July 21, 1971. This is a portion of Part I, Interpretation, Definition, 1:02 (v), "Unitized Strata".

We request your approval to amend this definition of "Unitized Strata" to read as follows:

- (v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Lodgepole Formation and which is the same Formation encountered between the depths of 1960' and 2113' as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at Lsd. 7 in Section 11, Township 9 North, Range 25, West of the First Meridian in the Province of Manitoba.

As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 14th day of April, 1994.

2923572 CANADA Tax.
Working Interest Owner

By Wenwen Steckley
Title Vice-President

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 12 day of APRIL, 1994.

CORSON OILS LTD.
Working Interest Owner

By *[Signature]*

Title PRES.

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 6th day of April, 1994.

McLeod Corporation
Working Interest Owner

By [Signature]

Title Vice President

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 10 day of April, 1994.

Probusier Petroleum Ltd
Working Interest Owner

By [Signature]

Title Pres

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.


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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly


George J. McLeod

Agreed To and Approved

this 6 day of April, 1994.

PRAIRIE OIL ROYALTIES COMPANY, LTD.

Working Interest Owner

By  R.B. COLLINS

Title PROPERTY REPRESENTATIVE

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 30 day of March, 1994.

Chrysa Petroleum Ltd
Working Interest Owner

By [Signature]

Title Pres.

GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

As you are all aware, the subject Unit was formed on July 21, 1971, when the Cherty Zone of the Lodgepole Formation (Mississippian in age) was unitized in an attempt to maximize oil recovery by waterflooding the unitized zone. The project has been successful. Oil production to date has totalled 3 million barrels, or 32.9 % of the original estimates of oil in place.

This Unit is now nearing the end of its economic life, with production averaging 92 barrels of oil and 1820 barrels of water per day. The dramatic drop in the price received for each barrel of oil, if not reversed, will undoubtedly hasten the economic demise of the project.

In an attempt to maintain the viability of the Unit through increased production, we have conducted a geologic review of the field to determine whether or not additional zones above the Cherty Zone could be perforated in existing well bores. As a result of this study, the Sandhills and Oolitic Zones were perforated in the 5-11-9-25 WPM Unit well resulting in a production of 15 barrels of oil and 500 barrels of water per day.

It is evident, in view of the large volumes of water produced, that the waterflood has affected the entire Lodgepole Formation through an extensive natural fracture system. It is also evident, as a result of the 5-11 experience, that the drilling of new wells by leasehold working interest owners in an effort to produce oil from non-unitized zones would be completely uneconomic.

Our studies indicate that there are at least two, and possibly four, additional Unit wells that, if perforated in the upper zones and production processed through existing Unit facilities, could add a total of 40 to 60 barrels of oil per day at a total estimated cost of less than \$100,000, thus extending Unit life. It is our intention, as Unit operator, to recommend this work to the Unit working interest owners.

Conversations with the Petroleum branch of Manitoba Energy and Mines indicate that the East Routledge Unit is the only secondary Unit in the Province that restricted the unitized substances to those contained within less than the entire Lodgepole Formation. They have further indicated that they would look with favour on an

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.

For your information, we have enclosed a copy of page 3 of the Plan for Unit Operation of the East Routledge Unit No. 1 dated July 21, 1971. This is a portion of Part I, Interpretation, Definition, 1:02 (v), "Unitized Strata".

We request your approval to amend this definition of "Unitized Strata" to read as follows:

- (v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Lodgepole Formation and which is the same Formation encountered between the depths of 1960' and 2113' as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at Lsd. 7 in Section 11, Township 9 North, Range 25, West of the First Meridian in the Province of Manitoba.

As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this 24th day of March, 1994.

Geolock Resources LTD
Working Interest Owner

By George J. McLeod

Title V. P.

and describe in Part XXII hereof and included within the boundaries of the solid black outline on the map shown in Part XXIII hereof, insofar as these lands relate to the Unitized Strata.

- "Unit Facilities" (s) "Unit Facilities" means all tangible property of every kind, nature and description (excepting Unitized Substances, Unit Operated Wells, rental equipment and Unit Operator's exclusively owned equipment) in the possession of Unit Operator hereunder acquired from a Working Interest Owner pursuant to the provisions of Part X hereof, together with all facilities and equipment purchased, constructed or acquired by Unit Operator pursuant hereto;
- "Unit Operated Wells" (t) "Unit Operated Wells" means all wells (including wells drilled for the production of Unitized Substances, wells drilled for the purpose of producing water only, wells drilled for the purpose of water disposal and wells drilled for the purpose of pressure maintenance operations or secondary recovery operations) in the possession of Unit Operator hereunder, whether acquired from a Working Interest Owner or drilled by Unit Operator pursuant to the terms hereof, but excluding Unit Facilities in and on the said wells;
- "Unit Operator" (u) "Unit Operator" means the person appointed to manage and conduct the operations hereunder who shall be a Working Interest Owner unless the Operating Committee unanimously otherwise agrees;
- "Unitized Strata" (v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Cherty Zone and which is the same formation encountered between the depths of 2083 feet and 2113 feet as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at LSD 7 in Section 11, Township 9 North, Range 25, West of the First Meridian, in the Province of Manitoba. -
- "Unitized Substances" (w) "Unitized Substances" means the Oil and Gas that are within or are produced from the Unitized Strata;
- "Well" (x) "Well" means any well within the Unit Area which has been drilled either prior to or after the effective date of the Unit which is deemed necessary by the Operators Committee to effectively perform secondary recovery.

GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

E.R.U. #1 Working Interest Owners
August 17, 1994 Mail Ballot Response

<u>Working Interest Owner</u>	<u>Approved</u>	<u>Opposed</u>
Mark Resources Inc.	X	
Choya Petroleums Ltd.	X	
Corvair Oils Ltd.	X	
Prairie Oil Royalties Company Ltd.	X	
Frobisher Petroleums Ltd.	X	
Geolock Resources Ltd.	X	
United Reef Petroleums Ltd.	X	
Piedmont Holdings Ltd.	X	
2923572 Canada Ltd.	X	
Methanex Corporation	X	
The Estate of Joseph Hirshhorn	X	

EAST ROUTLEDGE UNIT NO. 1
MAIL BALLOT NO. 2-94

August 17, 1994

SUBJECT: Proposed amending of the definition of "Unitized Strata" to include the Lodgepole as a unitized zone in East Routledge Unit #1.

DISCUSSION: Explained in covering documents.

BALLOT DATE: August 17, 1994

BALLOT DUE DATE: September 2, 1994

AUTHORITY: Clause 5.08 of the Unit Plan of Operation

MOTION: BE IT RESOLVED THAT:

The definition of "Unitized Strata" on page three of the Plan for Unit Operation of East Routledge Unit #1 be modified to include the Lodgepole Formation in addition to the original Cherty Zone.

APPROVED: _____

OPPOSED: _____

ABSTAINED: _____

COMPANY: GEOLOCK RESOURCES LTD.

REPRESENTATIVE: _____

DATE: _____

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO: GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

TO: All Working Interest Owners
East Routledge Unit #1

DATE: August 17, 1994

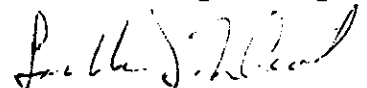
RE: EAST ROUTLEDGE UNIT #1
Mail Ballot 2-94
Approval of proposed inclusion of
Lodgepole Formation with existing
Cherty Zone as "Unitized Strata"

Enclosed is Mail Ballot 2-94 requesting your approval for the expansion of the "Unitized Strata" in E.R.U.#1 to include the Lodgepole Formation. As discussed in earlier correspondence, (copies attached) inclusion of the Lodgepole Formation in the Unit will benefit all working interest owners. Inclusion will reduce royalties on incremental uphole production such as 5-11 (presently non-unit), allow us to easily comingle the Cherty and Lodgepole and should greatly simplify Government reporting.

This mail ballot is required to formalize your previously indicated support of this resolution.

In accordance with clause 6.01 of the Plan of Unit Operation, please complete and return one copy of the Mail Ballot to this office.

Yours very truly



Lachlan J. McLeod

GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

As you are all aware, the subject Unit was formed on July 21, 1971, when the Cherty Zone of the Lodgepole Formation (Mississippian in age) was unitized in an attempt to maximize oil recovery by waterflooding the unitized zone. The project has been successful. Oil production to date has totalled 3 million barrels, or 32.9 % of the original estimates of oil in place.

This Unit is now nearing the end of its economic life, with production averaging 92 barrels of oil and 1820 barrels of water per day. The dramatic drop in the price received for each barrel of oil, if not reversed, will undoubtedly hasten the economic demise of the project.

In an attempt to maintain the viability of the Unit through increased production, we have conducted a geologic review of the field to determine whether or not additional zones above the Cherty Zone could be perforated in existing well bores. As a result of this study, the Sandhills and Oolitic Zones were perforated in the 5-11-9-25 WPM Unit well resulting in a production of 15 barrels of oil and 500 barrels of water per day.

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Our studies indicate that there are at least two, and possibly four, additional Unit wells that, if perforated in the upper zones and production processed through existing Unit facilities, could add a total of 40 to 60 barrels of oil per day at a total estimated cost of less than \$100,000, thus extending Unit life. It is our intention, as Unit operator, to recommend this work to the Unit working interest owners.

Conversations with the Petroleum branch of Manitoba Energy and Mines indicate that the East Routledge Unit is the only secondary Unit in the Province that restricted the unitized substances to those contained within less than the entire Lodgepole Formation. They have further indicated that they would look with favour on an

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

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We request your approval to amend this definition of "Unitized Strata" to read as follows:

(v)

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As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly

George J. McLeod
George J. McLeod

Agreed To and Approved

this _____ day of _____, 1994.

Working Interest Owner

By _____

Title _____

and describe in Part XXII hereof and included within the boundaries of the solid black outline on the map shown in Part XXIII hereof, insofar as these lands relate to the Unitized Strata.

- "Unit Facilities" (s) "Unit Facilities" means all tangible property of every kind, nature and description (excepting Unitized Substances, Unit Operated Wells, rental equipment and Unit Operator's exclusively owned equipment) in the possession of Unit Operator hereunder acquired from a Working Interest Owner pursuant to the provisions of Part X hereof, together with all facilities and equipment purchased, constructed or acquired by Unit Operator pursuant hereto;
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- "Unit Operator" (u) "Unit Operator" means the person appointed to manage and conduct the operations hereunder who shall be a Working Interest Owner unless the Operating Committee unanimously otherwise agrees;
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GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

TO: All Working Interest Owners
East Routledge Unit #1

Date: September 15, 1994

RE: EAST ROUTLEDGE UNIT #1
Results of Mail Ballot 2-94

Mail ballot 2-94 requested your approval for expanding the definition of the "Unitized Strata" in E.R.U. #1 to include the Lodgepole Formation.

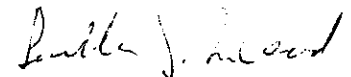
The results of Mail Ballot 2-94 are as follows:

Ballots received affirmative	84.84834 %
* Ballots not received and deemed affirmative	15.15166 %
	<hr/>
	100.00000 %
 Ballots received negative	 00.00000 %

*Estate of Joseph H. Hirshhorn, Methanex Corporation., Piedmont Holdings Ltd., 2923572 Canada Inc., United Reef Petroleums Ltd.

In accordance with clause 6.01 of the Unit Operating Agreement, the subject ballot has passed.

Yours very truly



Lachlan J. McLeod

EAST ROUTLEDGE UNIT NO. 1
MAIL BALLOT NO. 2-94

August 17, 1994

SUBJECT: Proposed amending of the definition of "Unitized Strata" to include the Lodgepole as a unitized zone in East Routledge Unit #1.

DISCUSSION: Explained in covering documents.

BALLOT DATE: August 17, 1994

BALLOT DUE DATE: September 2, 1994

AUTHORITY: Clause 5.08 of the Unit Plan of Operation

MOTION: BE IT RESOLVED THAT:

The definition of "Unitized Strata" on page three of the Plan for Unit Operation of East Routledge Unit #1 be modified to include the Lodgepole Formation in addition to the original Cherty Zone.

APPROVED:

OPPOSED:

ABSTAINED:

COMPANY:

MARK RESOURCES INC.

REPRESENTATIVE:

DATE:

9-1/08/19

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO:

GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

THIS MAIL BALLOT SHOULD BE
CONSIDERED MARK'S OFFICIAL
RESPONSE. NO ADDITIONAL
HARD COPY WILL BE SUPPLIED,

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

EAST ROUTLEDGE UNIT NO. 1
MAIL BALLOT NO. 2-94

August 17, 1994

SUBJECT: Proposed amending of the definition of
"Unitized Strata" to include the Lodgepole as
a unitized zone in East Routledge Unit #1.

DISCUSSION: Explained in covering documents.

BALLOT DATE: August 17, 1994

BALLOT DUE DATE: September 2, 1994

AUTHORITY: Clause 5.08 of the Unit Plan of Operation

MOTION: BE IT RESOLVED THAT:

The definition of "Unitized Strata" on page
three of the Plan for Unit Operation of East
Routledge Unit #1 be modified to include the
Lodgepole Formation in addition to the
original Cherty Zone.

APPROVED: _____

OPPOSED: _____

ABSTAINED: _____

COMPANY:

CHOYA PETROLEUMS LTD.

REPRESENTATIVE:

W. J. Lachlan Pres.

DATE:

Aug 19 - 94

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO: GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

EAST ROUTLEDGE UNIT NO. 1
MAIL BALLOT NO. 2-94

August 17, 1994

SUBJECT: Proposed amending of the definition of "Unitized Strata" to include the Lodgepole as a unitized zone in East Routledge Unit #1.

DISCUSSION: Explained in covering documents.

BALLOT DATE: August 17, 1994

BALLOT DUE DATE: September 2, 1994

AUTHORITY: Clause 5.08 of the Unit Plan of Operation

MOTION: BE IT RESOLVED THAT:

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APPROVED:

OPPOSED:

ABSTAINED:

COMPANY:

REPRESENTATIVE:

DATE:

CORVAIR OILS LTD.

John B. MITCHELL, Pres.

Aug 23/94.

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO: GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

Norcen

Energy Resources Limited

NORCEN TOWER
715 - 5th Avenue S.W.
Calgary, Alberta T2P 2K7Telephone: (403) 231-0111
Telex: 03-824776
Facsimile: (403) 231-0386**FACSIMILE TRANSMITTAL FORM**
JOINT VENTURES DEPARTMENT
Mail Ballot / AFE Return**TO**

Company:	<u>Geolock Resources</u>	Date:	<u>August 24, 1994</u>
Attention:	<u>Lachlan McLeod</u>	Fax No.:	<u>269-5278</u>

FROM

From:	<u>R.B. Collins</u>
Number of pages being transmitted (including this page):	<u>2</u>
In case of transmission difficulty please contact Judy at:	
telephone:	(403) 231-0551
or fax:	(403) 231-0386

MESSAGE

Mail Ballot/AFE No.	<u>2-94</u>	Affirmative	<u>X</u>
		Negative	<u> </u>
Comments:			

NOTE: This is your only copy - original will not be forwarded by mail unless requested

EAST ROUTLEDGE UNIT NO. 1
MAIL BALLOT NO. 2-94

August 17, 1994

SUBJECT: Proposed amending of the definition of "Unitized Strata" to include the Lodgepole as a unitized zone in East Routledge Unit #1.

DISCUSSION: Explained in covering documents.

BALLOT DATE: August 17, 1994

BALLOT DUE DATE: September 2, 1994

AUTHORITY: Clause 5.08 of the Unit Plan of Operation

MOTION: BE IT RESOLVED THAT:

The definition of "Unitized Strata" on page three of the Plan for Unit Operation of East Routledge Unit #1 be modified to include the Lodgepole Formation in addition to the original Cherty Zone.

APPROVED: _____

OPPOSED: _____

ABSTAINED: _____

COMPANY:

PRAIRIE OIL ROYALTIES COMPANY, LTD.

REPRESENTATIVE:

R.B. Collins R.B. COLLINS
AUG 24 1994

DATE: _____

DATE MAILED TO W.I.O.'s: August 17, 1994

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#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

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APPROVED:

OPPOSED:

ABSTAINED:

COMPANY:

FROBISHER PETROLEUMS LTD.

REPRESENTATIVE:

DATE:

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO: GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

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APPROVED: 

OPPOSED:

ABSTAINED:

COMPANY:

GEOLOCK RESOURCES LTD.

REPRESENTATIVE:

George McLeod

DATE:

Aug 17/94

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO: GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

GEOLOCK

RESOURCES LTD.

INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

E.R.U. #1 Working Interest Owners August 17, 1994 Mail Ballot Response

<u>Working Interest Owner</u>	<u>Approved</u>	<u>Opposed</u>
Mark Resources Inc.	X	
Choya Petroleums Ltd.	X	
Corvair Oils Ltd.	X	
Prairie Oil Royalties Company Ltd.	X	
Frobisher Petroleums Ltd.	X	
Geolock Resources Ltd.	X	
United Reef Petroleums Ltd.	X	
Piedmont Holdings Ltd.	X	
2923572 Canada Ltd.	X	
Methanex Corporation	X	
The Estate of Joseph Hirshhorn	X	

EAST ROUTLEDGE UNIT NO. 1
MAIL BALLOT NO. 2-94

August 17, 1994

SUBJECT: Proposed amending of the definition of "Unitized Strata" to include the Lodgepole as a unitized zone in East Routledge Unit #1.

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APPROVED: _____

OPPOSED: _____

ABSTAINED: _____

COMPANY: GEOLOCK RESOURCES LTD.

REPRESENTATIVE: _____

DATE: _____

DATE MAILED TO W.I.O.'s: August 17, 1994

RETURN MAIL BALLOT TO: GEOLOCK RESOURCES LTD.
#480, 700 - 4TH AVE. S.W.
CALGARY, ALBERTA
T2P 3J4

ATTENTION: MR. LACHLAN MCLEOD
FAX No. (403) 269-5278

GEOLock
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

TO: All Working Interest Owners
East Routledge Unit #1

DATE: August 17, 1994

RE: EAST ROUTLEDGE UNIT #1
Mail Ballot 2-94
Approval of proposed inclusion of
Lodgepole Formation with existing
Cherty Zone as "Unitized Strata"

Enclosed is Mail Ballot 2-94 requesting your approval for the expansion of the "Unitized Strata" in E.R.U.#1 to include the Lodgepole Formation. As discussed in earlier correspondence, (copies attached) inclusion of the Lodgepole Formation in the Unit will benefit all working interest owners. Inclusion will reduce royalties on incremental uphole production such as 5-11 (presently non-unit), allow us to easily comingle the Cherty and Lodgepole and should greatly simplify Government reporting.

This mail ballot is required to formalize your previously indicated support of this resolution.

In accordance with clause 6.01 of the Plan of Unit Operation, please complete and return one copy of the Mail Ballot to this office.

Yours very truly



Lachlan J. McLeod

GEOLOCK
RESOURCES LTD.
INVESTMENTS IN HYDROCARBON
EXPLORATION AND PRODUCTION

March 21, 1994

TO: WORKING INTEREST AND ROYALTY OWNERS
EAST ROUTLEDGE UNIT #1

As you are all aware, the subject Unit was formed on July 21, 1971, when the Cherty Zone of the Lodgepole Formation (Mississippian in age) was unitized in an attempt to maximize oil recovery by waterflooding the unitized zone. The project has been successful. Oil production to date has totalled 3 million barrels, or 32.9 % of the original estimates of oil in place.

This Unit is now nearing the end of its economic life, with production averaging 92 barrels of oil and 1820 barrels of water per day. The dramatic drop in the price received for each barrel of oil, if not reversed, will undoubtedly hasten the economic demise of the project.

In an attempt to maintain the viability of the Unit through increased production, we have conducted a geologic review of the field to determine whether or not additional zones above the Cherty Zone could be perforated in existing well bores. As a result of this study, the Sandhills and Oolitic Zones were perforated in the 5-11-9-25 WPM Unit well resulting in a production of 15 barrels of oil and 500 barrels of water per day.

It is evident, in view of the large volumes of water produced, that the waterflood has affected the entire Lodgepole Formation through an extensive natural fracture system. It is also evident, as a result of the 5-11 experience, that the drilling of new wells by leasehold working interest owners in an effort to produce oil from non-unitized zones would be completely uneconomic.

Our studies indicate that there are at least two, and possibly four, additional Unit wells that, if perforated in the upper zones and production processed through existing Unit facilities, could add a total of 40 to 60 barrels of oil per day at a total estimated cost of less than \$100,000, thus extending Unit life. It is our intention, as Unit operator, to recommend this work to the Unit working interest owners.

Conversations with the Petroleum branch of Manitoba Energy and Mines indicate that the East Routledge Unit is the only secondary Unit in the Province that restricted the unitized substances to those contained within less than the entire Lodgepole Formation. They have further indicated that they would look with favour on an

application to The Oil and Natural Gas Conservation Board to amend the Unit Plans definition of "Unitized Strata" to include all members of the Lodgepole Formation. Following such an amendment, there would be no need to distinguish between production from these zones. The interests held by Unit working interest and royalty owners would remain the same, the recommended workovers could be undertaken and, if successful, the economic life of the Unit would be extended.

In order for this desired amendment to the Unit Plan to be submitted to the Lieutenant Governor in Council for approval, we require the support of 100% of the working interest and royalty owners in the Unit. To that end, we ask that you read the "Proposed Amendment to the Unit Plan for the East Routledge Unit" detailed below and if you are in agreement with it, please indicate your approval by signing one copy of this letter and returning it in the stamped, addressed envelope attached hereto.


For your information, we have enclosed a copy of page 3 of the Plan for Unit Operation of the East Routledge Unit No. 1 dated July 21, 1971. This is a portion of Part I, Interpretation, Definition, 1:02 (v), "Unitized Strata".

We request your approval to amend this definition of "Unitized Strata" to read as follows:

(v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Lodgepole Formation and which is the same Formation encountered between the depths of 1960' and 2113' as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at Lsd. 7 in Section 11, Township 9 North, Range 25, West of the First Meridian in the Province of Manitoba.

As operator of the Unit we solicit your favourable response and very much appreciate your assistance in this matter. Please call us collect at AC: 403-265-7370 if you require further information or if you have any questions.

Yours very truly


George J. McLeod

Agreed To and Approved

this _____ day of _____, 1994.

Working Interest Owner

By _____

Title _____

and describe in Part XXII hereof and included within the boundaries of the solid black outline on the map shown in Part XXIII hereof, insofar as these lands relate to the Unitized Strata.

- "Unit Facilities" (s) "Unit Facilities" means all tangible property of every kind, nature and description (excepting Unitized Substances, Unit Operated Wells, rental equipment and Unit Operator's exclusively owned equipment) in the possession of Unit Operator hereunder acquired from a Working Interest Owner pursuant to the provisions of Part X hereof, together with all facilities and equipment purchased, constructed or acquired by Unit Operator pursuant hereto;
- "Unit Operated Wells" (t) "Unit Operated Wells" means all wells (including wells drilled for the production of Unitized Substances, wells drilled for the purpose of producing water only, wells drilled for the purpose of water disposal and wells drilled for the purpose of pressure maintenance operations or secondary recovery operations) in the possession of Unit Operator hereunder, whether acquired from a Working Interest Owner or drilled by Unit Operator pursuant to the terms hereof, but excluding Unit Facilities in and on the said wells;
- "Unit Operator" (u) "Unit Operator" means the person appointed to manage and conduct the operations hereunder who shall be a Working Interest Owner unless the Operating Committee unanimously otherwise agrees;
- "Unitized Strata" (v) "Unitized Strata" shall mean that subsurface portion of the Unit Area commonly known as the Cherty Zone and which is the same formation encountered between the depths of 2083 feet and 2113 feet as indicated on the electric log in Samedan's West Routledge Prov. 7-11-9-25 located at LSD 7 in Section 11, Township 9 North, Range 25, West of the First Meridian, in the Province of Manitoba.
- "Unitized Substances" (w) "Unitized Substances" means the Oil and Gas that are within or are produced from the Unitized Strata;
- "Well" (x) "Well" means any well within the Unit Area which has been drilled either prior to or after the effective date of the Unit which is deemed necessary by the Operators Committee to effectively perform secondary recovery.