



April 3, 2000

**Chevron Canada Resources**  
500 - Fifth Avenue S.W.  
Calgary, Alberta T2P 0L7  
Phone (403) 234-5000  
Fax (403) 234-5450

**TO: ALL WORKING INTEREST OWNERS  
VIRDEN-ROSELEA UNIT NO. 1**  
(Addressee List Attached)

**JV Contracts Management**

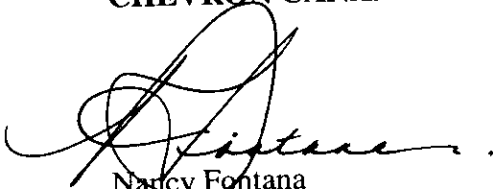
Ladies/Gentlemen:

Enclosed are copies of Schedules "A" and "B" to the agreement titled *Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1* for your records. The Schedules have been revised to reflect the transfer of Murphy Oil Company Ltd.'s entire interest to Tundra Oil and Gas Ltd., effective **April 1, 2000**.

If you have any questions, please give me a call at (403) 234-5884 or by e-mail at [nfon@chevron.com](mailto:nfon@chevron.com).

Sincerely,

**CHEVRON CANADA RESOURCES**



Nancy Fontana  
JV Contracts Representative

Encl. (2)

pc: Manitoba Ministry of Energy and Mines

Carmel Javos-Paike  
Ann Busch  
Barb McInnis  
Brian Findlay  
Lisa Talarico  
Neil Wallace/Teresa DeMilliano  
Glen Sveinson/Ty Hansen  
Sheila Lynde  
Gary Molnar

updated in  
P-1

VIRDEN-ROSELEA UNIT NO. 1 WORKING INTEREST OWNERS	
Chevron Canada Resources <b>Attention: Carmel Javos-Paike</b> 500, 5 <sup>th</sup> Avenue S.W. Calgary, Alberta T2P 0L7	
Franco-Nevada Oil and Gas <b>Attention: Geoff Waterman</b> 1900, 20 Eglinton Avenue West Box 2005 Toronto, Ontario M4R 1K8	<b>Mr. C.M. Frazier</b> c/o Gentry Resources Ltd. 2500, 101 – 6 <sup>th</sup> Avenue S.W. Calgary, Alberta T2P 3P4
Frontenac Petroleum Co. Ltd. c/o Berwick Minerals Limited <b>Attention: Lawrence J. Bintner</b> 135 Mayfair Crescent Regina, Saskatchewan S4S 4J1	Gentry Resources Ltd. <b>Attention: Gord MacKay</b> 2500, 101 – 6 <sup>th</sup> Avenue S.W. Calgary, Alberta T2P 3P4
K & N Oil Developments <b>Attention: Mr. A.A. Niesner</b> 300, 2080 Broad Street Regina, Saskatchewan S4P 1Y3	Northwest Exploration Company Ltd. <b>Attention: Joint Ventures</b> 700, 2103 – 11 <sup>th</sup> Avenue Regina, Saskatchewan S4P 4G1
Shannon Oils Ltd. <b>Attention: Mr. S. Spelliscy</b> Box 1111 Regina, Saskatchewan S4P 3B2	Tundra Oil & Gas Ltd. <b>Attention: Joint Ventures</b> 1111 Lombard Place Winnipeg, Manitoba R3B 0X4

**VIRDEN-ROSELEA UNIT NO. 1****SCHEDULE "A"****TRACT NUMBERS AND THE PRIMA FACIE WORKING INTEREST OWNERS  
OF THE TRACTS IN THE VIRDEN-ROSELEA UNIT NO. 1**

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
9A-19	Tundra Oil and Gas Ltd.	50
	Franco-Nevada Oil and Gas	50
13-19	Tundra Oil and Gas Ltd.	50
	Franco-Nevada Oil and Gas	50
16-19	Tundra Oil and Gas Ltd.	50
	Franco-Nevada Oil and Gas	50
8-20	Chevron Canada Resources	100
9-20	Chevron Canada Resources	100
10-20	Chevron Canada Resources	100
11-20	Chevron Canada Resources	100
12-20	Chevron Canada Resources	100
13-20	Chevron Canada Resources	100
14-20	Chevron Canada Resources	100
15-20	Chevron Canada Resources	100
16-20	Chevron Canada Resources	100
5-21	Chevron Canada Resources	97.5
	Frontenac Petroleum Co. Ltd.	2.5
6-21	Chevron Canada Resources	98.2
	Frontenac Petroleum Co. Ltd.	1.8

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
7-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	97.8 2.2
10-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	98.2 1.8
11-21	Chevron Canada Resources	100
12-21	Chevron Canada Resources	100
13-21	Chevron Canada Resources	100
14-21	Chevron Canada Resources	100
15-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	98.5 1.5
2-28	Chevron Canada Resources	100
3-28	Chevron Canada Resources	100
4-28	Chevron Canada Resources	100
5-28	Chevron Canada Resources	100
1-29	Chevron Canada Resources	100
2-29	Chevron Canada Resources	100
3-29	Chevron Canada Resources	100
4-29	Chevron Canada Resources	100
5-29	Chevron Canada Resources	100
6-29	Chevron Canada Resources	100
7-29	Chevron Canada Resources	100
8-29	Chevron Canada Resources	100

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
10-29	Chevron Canada Resources	100
11-29	Chevron Canada Resources	100
12-29	Chevron Canada Resources	100
1-30	Chevron Canada Resources	100
2-30	Chevron Canada Resources	100
3-30	Chevron Canada Resources	100
4-30	Chevron Canada Resources	100
5-30	Chevron Canada Resources	100
6-30	Chevron Canada Resources	100
7-30	Chevron Canada Resources	100
8-30	Chevron Canada Resources	100
9-30	Chevron Canada Resources	100
10-30	Chevron Canada Resources	100
11-30	Chevron Canada Resources	100
12-30	Chevron Canada Resources	100
15-30	Chevron Canada Resources	100
9-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
10-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
11-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
12-23	Gentry Resources Ltd.	100
13-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
14-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
15-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
16-23	Gentry Resources Ltd.	100
9-24	Chevron Canada Resources	100
10-24	Chevron Canada Resources	100
11-24	Chevron Canada Resources	100
12-24	Chevron Canada Resources	100
13-24	Chevron Canada Resources	100
14-24	Chevron Canada Resources	100
15-24	Chevron Canada Resources	100
16-24	Chevron Canada Resources	100
1-25	Chevron Canada Resources	100
2-25	Chevron Canada Resources	100
3-25	Chevron Canada Resources	100

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
4-25	Chevron Canada Resources	100
5-25	Chevron Canada Resources	100
6-25	Chevron Canada Resources	100
7-25	Chevron Canada Resources	100
8-25	Chevron Canada Resources	100
9-25	Chevron Canada Resources	100
10-25	Chevron Canada Resources	100
11-25	Chevron Canada Resources	100
12-25	Chevron Canada Resources	100
13-25	Chevron Canada Resources	100
14-25	Chevron Canada Resources	100
15-25	Chevron Canada Resources	100
16-25	Chevron Canada Resources	100
1-26	Chevron Canada Resources	100
3-26	Chevron Canada Resources	100
4-26	Chevron Canada Resources	100
6-26	Chevron Canada Resources	100
7-26	Chevron Canada Resources	100
8-26	Chevron Canada Resources	100
9-26	Tundra Oil and Gas Ltd.	40
	Chevron Canada Resources	60

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
10-26	Tundra Oil and Gas Ltd.	40
	Chevron Canada Resources	60
15-26	Tundra Oil and Gas Ltd.	40
	Chevron Canada Resources	60
16-26	Tundra Oil and Gas Ltd.	40
	Chevron Canada Resources	60
1-36	K & N Oil Development Co. Ltd.	100
2-36	Shannon Oils Ltd.	100



**VIRDEN-ROSELEA UNIT NO. 1**

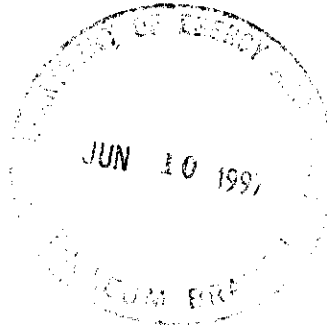
**SCHEDULE "B"**

**PRIMA FACIE WORKING INTEREST OWNERS AND THEIR FINAL  
PARTICIPATING INTEREST IN THE VIRDEN-ROSELEA UNIT NO. 1**

<b><u>Working Interest Owner</u></b>	<b><u>Final Participating Interest (%)</u></b>
Chevron Canada Resources	86.274346660
Gentry Resources Ltd.	9.955985600
Franco-Nevada Oil and Gas	0.896487100
Frazier, C.M.	0.672713170
Tundra Oil and Gas Ltd.	1.719964870
K & N Oil Development Co. Ltd.	0.279600670
North West Exploration Company Ltd.	0.087818950
Shannon Oils Ltd.	0.059066940
Frontenac Petroleum Co. Ltd.	<u>0.054016040</u>
	<b><u>100.000000000</u></b>



June 3, 1997



**Chevron Canada Resources**  
500 - Fifth Avenue S.W.  
Calgary, Alberta T2P 0L7  
Phone (403) 234-5000  
Fax (403) 234-5450

**JV Contracts Management**

**WORKING INTEREST OWNERS  
VIRDEN-ROSELEA UNIT NO. 1**

Ladies/Gentlemen:

Please find attached, revised copies of Schedules "A" and "B" to the Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1. This revision reflects the transfer of 177293 Canada Ltd.'s entire interest to Chevron Canada Resources, effective June 1, 1997.

If you have any questions, please contact the writer at 234-5884.

Sincerely,

Nancy Fontana  
Joint Venture Contracts Representative

Attach.

pc: [REDACTED]

G. R. MacDougall  
T. DeMilliano  
R. D. Jolley  
B. Gallagher  
P. A. Dumont  
Marketing

C.C. Perryman  
E. G. Sveinson  
Bill Robertson  
G. S. McCutcheon  
Producing Records  
Legal File

**VIRDEN-ROSELEA UNIT NO. 1**

**Schedule "A"**

**TRACT NUMBERS AND THE PRIMA FACIE WORKING INTEREST OWNERS  
OF THE TRACTS IN THE VIRDEN-ROSELEA UNIT NO. 1**

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
9A-19	Murphy Oil Company Ltd.	50
	Franco-Nevada Oil and Gas	50
13-19	Murphy Oil Company Ltd.	50
	Franco-Nevada Oil and Gas	50
16-19	Murphy Oil Company Ltd.	50
	Franco-Nevada Oil and Gas	50
8-20	Chevron Canada Resources	100
9-20	Chevron Canada Resources	100
10-20	Chevron Canada Resources	100
11-20	Chevron Canada Resources	100
12-20	Chevron Canada Resources	100
13-20	Chevron Canada Resources	100
14-20	Chevron Canada Resources	100
15-20	Chevron Canada Resources	100
16-20	Chevron Canada Resources	100
5-21	Chevron Canada Resources	97.5
	Frontenac Petroleum Co. Ltd.	2.5
6-21	Chevron Canada Resources	98.2
	Frontenac Petroleum Co. Ltd.	1.8

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
7-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	97.8 2.2
10-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	98.2 1.8
11-21	Chevron Canada Resources	100
12-21	Chevron Canada Resources	100
13-21	Chevron Canada Resources	100
14-21	Chevron Canada Resources	100
15-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	98.5 1.5
2-28	Chevron Canada Resources	100
3-28	Chevron Canada Resources	100
4-28	Chevron Canada Resources	100
5-28	Chevron Canada Resources	100
1-29	Chevron Canada Resources	100
2-29	Chevron Canada Resources	100
3-29	Chevron Canada Resources	100
4-29	Chevron Canada Resources	100
5-29	Chevron Canada Resources	100
6-29	Chevron Canada Resources	100
7-29	Chevron Canada Resources	100
8-29	Chevron Canada Resources	100

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
10-29	Chevron Canada Resources	100
11-29	Chevron Canada Resources	100
12-29	Chevron Canada Resources	100
1-30	Chevron Canada Resources	100
2-30	Chevron Canada Resources	100
3-30	Chevron Canada Resources	100
4-30	Chevron Canada Resources	100
5-30	Chevron Canada Resources	100
6-30	Chevron Canada Resources	100
7-30	Chevron Canada Resources	100
8-30	Chevron Canada Resources	100
9-30	Chevron Canada Resources	100
10-30	Chevron Canada Resources	100
11-30	Chevron Canada Resources	100
12-30	Chevron Canada Resources	100
15-30	Chevron Canada Resources	100
9-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
10-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
11-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
13-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
14-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
15-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
16-23	Gentry Resources Ltd.	100
9-24	Chevron Canada Resources	100
10-24	Chevron Canada Resources	100
11-24	Chevron Canada Resources	100
12-24	Chevron Canada Resources	100
13-24	Chevron Canada Resources	100
14-24	Chevron Canada Resources	100
15-24	Chevron Canada Resources	100
16-24	Chevron Canada Resources	100
1-25	Chevron Canada Resources	100
2-25	Chevron Canada Resources	100
3-25	Chevron Canada Resources	100
4-25	Chevron Canada Resources	100

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
5-25	Chevron Canada Resources	100
6-25	Chevron Canada Resources	100
7-25	Chevron Canada Resources	100
8-25	Chevron Canada Resources	100
9-25	Chevron Canada Resources	100
10-25	Chevron Canada Resources	100
11-25	Chevron Canada Resources	100
12-25	Chevron Canada Resources	100
13-25	Chevron Canada Resources	100
14-25	Chevron Canada Resources	100
15-25	Chevron Canada Resources	100
16-25	Chevron Canada Resources	100
1-26	Chevron Canada Resources	100
3-26	Chevron Canada Resources	100
4-26	Chevron Canada Resources	100
6-26	Chevron Canada Resources	100
7-26	Chevron Canada Resources	100
8-26	Chevron Canada Resources	100
9-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
10-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60
15-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60
16-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60
1-36	K & N Oil Development Co. Ltd.	100
2-36	Shannon Oils Ltd.	100



**VIRDEN-ROSELEA UNIT NO. 1**

**Schedule "B"**

**PRIMA FACIE WORKING INTEREST OWNERS AND THEIR FINAL  
PARTICIPATING INTEREST IN THE VIRDEN-ROSELEA UNIT NO. 1**

<b><u>Working Interest Owner</u></b>	<b><u>Final Participating Interest (%)</u></b>
Chevron Canada Resources	90.52922
Gentry Resources Ltd.	5.51520
Murphy Oil Company Ltd.	0.94070
Franco-Nevada Oil and Gas	0.94070
Frazier, C.M.	0.70589
Tundra Oil and Gas Ltd.	0.43205
Corvair Oils Ltd.	0.43204
K & N Oil Development Co. Ltd.	0.29339
North West Exploration Company Ltd.	0.09215
Shannon Oils Ltd.	0.06198
Frontenac Petroleum Co. Ltd.	<u>0.05668</u>
	<b><u>100.00000</u></b>



**Chevron**

May 7, 1997



**Chevron Canada Resources**  
500 - Fifth Avenue S.W.  
Calgary, Alberta T2P 0L7  
Phone (403) 234-5000  
Fax (403) 234-5450

**JV Contracts Management**

**WORKING INTEREST OWNERS  
VIRDEN-ROSELEA UNIT NO.1**

Ladies/Gentlemen:

Please find attached, revised copies of Schedules "A" and "B" to the Plan for Unit Operation of Virden-Roselea Unit No. 1. This revision reflects:

1. the name change of Amerada Hess Company Ltd. to 177293 Canada Ltd., and
2. the amalgamation of Prairie Oil Royalties Company Ltd. with Norcen Energy Resources Limited and subsequent assignment of this interest to Franco-Nevada Oil and Gas.

If you have any questions, please contact Nancy Fontana at 234-5884.

Yours sincerely,

A handwritten signature in cursive script that reads "Anita Mathur".

Anita Mathur  
JV Contracts Representative

attach.

cc Oil and Gas Conservation Board of Manitoba

WORKING INTEREST OWNERS, VIRDEN-ROSELEA UNIT NO. 1

177293 Canada Limited  
c/o Petro-Canada  
P.O. Box 2844, Station "M"  
Calgary, Alberta  
T2P 3E3

Attention: M.A. Meghani

Mr. C. M. Frazier  
c/o Gulf Canada Resources (Trilogy)  
401 - 9th Avenue S.W.  
Calgary, Alberta  
T2P 3C5      ADX No. 049

Tundra Oil & Gas Ltd.  
1111 Lombard Pl.  
Winnipeg, Manitoba  
T3B 0X4  
Attention: Joint Ventures

Corvair Oils Ltd.  
Attention: J. B. Mitchell  
P.O. Box 3827  
Edmonton, Alberta  
T5L 4J8

Frontenac Petroleum Co. Ltd.  
Attention: Lawrence J. Bintner  
135 Mayfair Crescent  
Regina, Saskatchewan  
S4S 4J1

K & N Oil Developments  
Attention: Mr. A. A. Niesner  
300, 2080 Broad Street  
Regina, Saskatchewan  
S4P 1Y3

Gentry Resources Ltd.  
1290 Sunlife Plaza III  
112 - 4th Avenue S.W.  
Calgary, Alberta  
T2P 0H3

Attention: Joint Ventures

Murphy Oil Company Ltd.  
Attention: Mr. J. W. Nibogie  
2100, 555 - 4th Avenue S.W.  
Calgary, Alberta  
T2P 3E7      ADX 96

Northwest Exploration Company Ltd.  
c/o The Honourable James Balfour  
Senator of Canada  
Parliament Building  
Ottawa, Ontario  
K1A 0A4

Franco-Nevada Oil and Gas  
1900, 20 Eglinton Avenue West  
Box 2005  
Toronto, ON  
M4R 1K8

Attention: Geoff Waterman

Shannon Oils Ltd.  
Attention: Mr. S. Spelliscy  
Box 1111  
Regina, Saskatchewan  
S4P 3B2

## **VIRDEN-ROSELEA UNIT NO. 1**

### **Schedule "A"**

#### **TRACT NUMBERS AND THE PRIMA FACIE WORKING INTEREST OWNERS OF THE TRACTS IN THE VIRDEN-ROSELEA UNIT NO. 1**

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
9A-19	Murphy Oil Company Ltd.	50
	Franco-Nevada Oil and Gas	50
13-19	Murphy Oil Company Ltd.	50
	Franco-Nevada Oil and Gas	50
16-19	Murphy Oil Company Ltd.	50
	Franco-Nevada Oil and Gas	50
8-20	Chevron Canada Resources	100
9-20	Chevron Canada Resources	100
10-20	Chevron Canada Resources	100
11-20	Chevron Canada Resources	100
12-20	Chevron Canada Resources	100
13-20	Chevron Canada Resources	100
14-20	Chevron Canada Resources	100
15-20	Chevron Canada Resources	100
16-20	Chevron Canada Resources	100
5-21	Chevron Canada Resources	97.5
	Frontenac Petroleum Co. Ltd.	2.5
6-21	Chevron Canada Resources	98.2
	Frontenac Petroleum Co. Ltd.	1.8

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
7-21	Chevron Canada Resources	97.8
	Frontenac Petroleum Co. Ltd.	2.2
10-21	Chevron Canada Resources	98.2
	Frontenac Petroleum Co. Ltd.	1.8
11-21	Chevron Canada Resources	100
12-21	Chevron Canada Resources	100
13-21	Chevron Canada Resources	100
14-21	Chevron Canada Resources	100
15-21	Chevron Canada Resources	98.5
	Frontenac Petroleum Co. Ltd.	1.5
2-28	Chevron Canada Resources	100
3-28	Chevron Canada Resources	100
4-28	Chevron Canada Resources	100
5-28	Chevron Canada Resources	100
1-29	Chevron Canada Resources	100
2-29	Chevron Canada Resources	100
3-29	Chevron Canada Resources	100
4-29	Chevron Canada Resources	100
5-29	Chevron Canada Resources	100
6-29	Chevron Canada Resources	100
7-29	Chevron Canada Resources	100
8-29	Chevron Canada Resources	100

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
10-29	Chevron Canada Resources	100
11-29	Chevron Canada Resources	100
12-29	Chevron Canada Resources	100
1-30	177293 Canada Ltd.	100
2-30	177293 Canada Ltd.	100
3-30	177293 Canada Ltd.	100
4-30	177293 Canada Ltd.	100
5-30	177293 Canada Ltd.	100
6-30	177293 Canada Ltd.	100
7-30	177293 Canada Ltd.	100
8-30	177293 Canada Ltd.	100
9-30	177293 Canada Ltd.	100
10-30	177293 Canada Ltd.	100
11-30	177293 Canada Ltd.	100
12-30	177293 Canada Ltd.	100
15-30	177293 Canada Ltd.	100
9-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
10-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
11-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
13-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
14-23	Gentry Resources Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
15-23	Gentry Resources Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
16-23	Gentry Resources Ltd.	100
9-24	Chevron Canada Resources	100
10-24	Chevron Canada Resources	100
11-24	Chevron Canada Resources	100
12-24	Chevron Canada Resources	100
13-24	Chevron Canada Resources	100
14-24	Chevron Canada Resources	100
15-24	Chevron Canada Resources	100
16-24	Chevron Canada Resources	100
1-25	Chevron Canada Resources	100
2-25	Chevron Canada Resources	100
3-25	Chevron Canada Resources	100
4-25	Chevron Canada Resources	100

<b><u>Tract Number</u></b>	<b><u>Working Interest Owner</u></b>	<b><u>Percentage Working Interest Ownership</u></b>
5-25	Chevron Canada Resources	100
6-25	Chevron Canada Resources	100
7-25	Chevron Canada Resources	100
8-25	Chevron Canada Resources	100
9-25	Chevron Canada Resources	100
10-25	Chevron Canada Resources	100
11-25	Chevron Canada Resources	100
12-25	Chevron Canada Resources	100
13-25	Chevron Canada Resources	100
14-25	Chevron Canada Resources	100
15-25	Chevron Canada Resources	100
16-25	Chevron Canada Resources	100
1-26	Chevron Canada Resources	100
3-26	Chevron Canada Resources	100
4-26	Chevron Canada Resources	100
6-26	Chevron Canada Resources	100
7-26	Chevron Canada Resources	100
8-26	Chevron Canada Resources	100
9-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60



<u>Tract Number</u>	<u>Working Interest Owner</u>	<u>Percentage Working Interest Ownership</u>
10-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60
15-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60
16-26	Corvair Oils Ltd.	20
	Tundra Oil and Gas Ltd.	20
	Chevron Canada Resources	60
1-36	K & N Oil Development Co. Ltd.	100
2-36	Shannon Oils Ltd.	100

(Legal:jv:virden-roselea unit sch A)

## **VIRDEN-ROSELEA UNIT NO. 1**

### **Schedule "B"**

#### **PRIMA FACIE WORKING INTEREST OWNERS AND THEIR FINAL PARTICIPATING INTEREST IN THE VIRDEN-ROSELEA UNIT NO. 1**

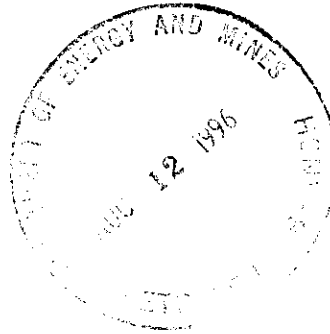
<b><u>Working Interest Owner</u></b>	<b><u>Final Participating Interest (%)</u></b>
Chevron Canada Resources	71.30029
177293 Canada Ltd.	19.22893
Gentry Resources Ltd.	5.51520
Murphy Oil Company Ltd.	0.94070
Franco-Nevada Oil and Gas	0.94070
Frazier, C.M.	0.70589
Tundra Oil and Gas Ltd.	0.43205
Corvair Oils Ltd.	0.43204
K & N Oil Development Co. Ltd.	0.29339
North West Exploration Company Ltd.	0.09215
Shannon Oils Ltd.	0.06198
Frontenac Petroleum Co. Ltd.	<u>0.05668</u>
	<b><u>100.00000</u></b>

(I:\legal\jv:virden-roselea unit sch B)



**Chevron**

August 6, 1996



**Chevron Canada Resources**  
500 Fifth Avenue S.W.  
Calgary, Alberta  
T2P 0L7  
Phone (403) 234-5000  
Fax (403) 234-5124

**Eastern Business Unit**

**Mail Ballot No. 96-03  
Increase Operator's Monetary Authority  
Virden Roselea Unit No. 1**

**TO: ALL WORKING INTEREST OWNERS  
VIRDEN ROSELEA UNIT NO. 1**

Owner approval is requested for a revision to Clause 7.04 of the Plan For Unit Operation Governing the Unitized Management Operation And Further Development Of Virden Roselea Unit No. 1 to increase the Operator's monetary authority limit from \$20,000.00 to \$60,000.00 for any single undertaking. Clause 7.04 would remain as is with the exception of replacing "Twenty Thousand Dollars (\$20,000.00)" with "Sixty Thousand Dollars (\$60,000.00)".

It has been our experience that few projects can be performed for under \$20,000.00. The change in monetary authority would mean less paperwork thus smaller more routine work could proceed more expeditiously to the benefit of all partners. Chevron will provide a monthly letter to partners advising of expenditures under \$60,000.00.

Please return a signed copy of the enclosed mail ballot to the attention of our Producing Records on or before **August 26, 1996.**

If you have any questions, please contact the undersigned at 234-5322 or Pam Dumont at 234-5599.

Yours truly,

M.J. (Michael) Smith, Chairman  
for: Operating Committee

/pd  
Encl.

cc: The Oil and Natural Gas Conservation Board of Manitoba

C. Perryman      D. Yellowlees/D. Lewis      Producing Records

**Mail Ballot No. 96-03  
Increase Operator's Monetary Authority  
Virden Roselea Unit No. 1**

Chevron Canada Resources  
500 - 5th Avenue S.W.  
Calgary, Alberta  
T2P 0L7

Attention: Producing Records  
(Fax 234-5306)

"BE IT RESOLVED, THAT Owners approve a revision to Clause 7.04 of the Plan For Unit Operation Governing the Unitized Management Operation and Further Development of Virden Roselea Unit No. 1 to increase Operator's monetary authority limit from \$20,000.00 to \$60,000.00."

APPROVED: \_\_\_\_\_ DISAPPROVED: \_\_\_\_\_

WORKING INTEREST OWNER: \_\_\_\_\_

**DUE DATE: August 26, 1996**

No reply is deemed affirmative.

x.c. Bob Dubreuil  
/Feb. 10/95

January 27, 1995

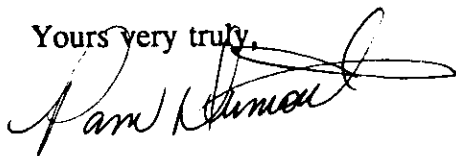
**Schedules "A" & "B"  
Plan For Unit Operation  
Virden-Roselea Unit No. 1**

**TO: ALL WORKING INTEREST OWNERS  
VIRDEN-ROSELEA UNIT NO. 1**

Ladies/Gentlemen:

We enclose copies of Schedules "A" and "B", effective November 1, 1994 revised to reflect the sale of a portion of the interest (2.75068%) held by Frontenac Petroleum Co. Ltd. to Chevron Canada Resources.

Yours very truly,

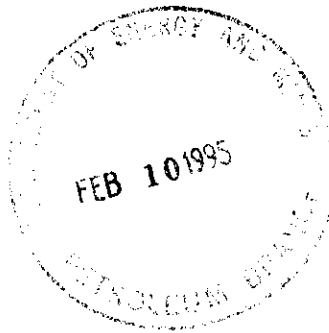


*fa:* Cathy Sproule-Matieshin, Chairman  
Operating Committee

/pd  
Attach.

cc: The Oil and Natural Gas Conservation  
Board of Manitoba

B.L. Milton (2202)  
C.C. Perryman (1328)  
R.K. Reardon (1332)  
Producing Records (1612)  
Marketing (15th Fl.)  
R. Dahlman/Virden Area Accounting  
J.G. Webb (905)  
M.W. Montgomery (931)



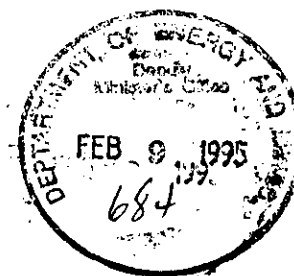
*John/Dan*  
*FOR YOUR FILES 2011*



**Chevron**

**Chevron Canada Resources**  
500 - Fifth Avenue S.W.  
Calgary, Alberta T2P 0L7  
Phone (403) 234-5000  
Fax (403) 234-6206

**R. J. Terlesky**  
Manager  
Joint Ventures and  
Property Consolidation



**VIRDEN-ROSELEA UNIT NO. 1**  
**Schedule "A"**

**TRACT NUMBERS AND THE PRIMA FACIE WORKING INTEREST OWNERS OF THE  
TRACTS IN VIRDEN-ROSELEA UNIT NO. 1  
AS OF NOVEMBER 1, 1994**

<u>Tract Number</u>	<u>Working Interest Owner</u>	<u>Percentage Working Interest Ownership</u>
9A-19	Murphy Oil Company Ltd.	50
	Prairie Oil Royalties Company, Ltd.	50
13-19	Murphy Oil Company Ltd.	50
	Prairie Oil Royalties Company, Ltd.	50
16-19	Murphy Oil Company Ltd.	50
	Prairie Oil Royalties Company Ltd.	50
8-20	Chevron Canada Resources	100
9-20	Chevron Canada Resources	100
10-20	Chevron Canada Resources	100
11-20	Chevron Canada Resources	100
12-20	Chevron Canada Resources	100
13-20	Chevron Canada Resources	100
14-20	Chevron Canada Resources	100
15-20	Chevron Canada Resources	100
16-20	Chevron Canada Resources	100
5-21	Chevron Canada Resources	97.5
	Frontenac Petroleum Co. Ltd.	2.5
6-21	Chevron Canada Resources	98.2
	Frontenac Petroleum Co. Ltd.	1.8

**Effective November 1, 1994**

7-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	97.8 2.2
10-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	98.2 1.8
11-21	Chevron Canada Resources	100
12-21	Chevron Canada Resources	100
13-21	Chevron Canada Resources	100
14-21	Chevron Canada Resources	100
15-21	Chevron Canada Resources Frontenac Petroleum Co. Ltd.	98.5 1.5
2-28	Chevron Canada Resources	100
3-28	Chevron Canada Resources	100
4-28	Chevron Canada Resources	100
5-28	Chevron Canada Resources	100
1-29	Chevron Canada Resources	100
2-29	Chevron Canada Resources	100
3-29	Chevron Canada Resources	100
4-29	Chevron Canada Resources	100
5-29	Chevron Canada Resources	100
6-29	Chevron Canada Resources	100
7-29	Chevron Canada Resources	100
8-29	Chevron Canada Resources	100
10-29	Chevron Canada Resources	100
11-29	Chevron Canada Resources	100
12-29	Chevron Canada Resources	100

Effective November 1, 1994

1-30	Amerada Hess Canada Ltd.	100
2-30	Amerada Hess Canada Ltd.	100
3-30	Amerada Hess Canada Ltd.	100
4-30	Amerada Hess Canada Ltd.	100
5-30	Amerada Hess Canada Ltd.	100
6-30	Amerada Hess Canada Ltd.	100
7-30	Amerada Hess Canada Ltd.	100
8-30	Amerada Hess Canada Ltd.	100
9-30	Amerada Hess Canada Ltd.	100
10-30	Amerada Hess Canada Ltd.	100
11-30	Amerada Hess Canada Ltd.	100
12-30	Amerada Hess Canada Ltd.	100
15-30	Amerada Hess Canada Ltd.	100
9-23	Mannville Oil & Gas Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
10-23	Mannville Oil & Gas Ltd.	73.5
	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
11-23	Mannville Oil & Gas Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
13-23	Mannville Oil & Gas Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
14-23	Mannville Oil & Gas Ltd.	73.5
	Frazier, C.M.	25.0
	North West Exploration Company Ltd.	1.5
15-23	Mannville Oil & Gas Ltd.	73.5

Effective November 1, 1994



	Chevron Canada Resources	25.0
	North West Exploration Company Ltd.	1.5
16-23	Mannville Oil & Gas Ltd.	100
9-24	Chevron Canada Resources	100
10-24	Chevron Canada Resources	100
11-24	Chevron Canada Resources	100
12-24	Chevron Canada Resources	100
13-24	Chevron Canada Resources	100
14-24	Chevron Canada Resources	100
15-24	Chevron Canada Resources	100
16-24	Chevron Canada Resources	100
1-25	Chevron Canada Resources	100
2-25	Chevron Canada Resources	100
3-25	Chevron Canada Resources	100
4-25	Chevron Canada Resources	100
5-25	Chevron Canada Resources	100
6-25	Chevron Canada Resources	100
7-25	Chevron Canada Resources	100
8-25	Chevron Canada Resources	100
9-25	Chevron Canada Resources	100
10-25	Chevron Canada Resources	100
11-25	Chevron Canada Resources	100
12-25	Chevron Canada Resources	100
13-25	Chevron Canada Resources	100

Effective November 1, 1994

14-25	Chevron Canada Resources	100
15-25	Chevron Canada Resources	100
16-25	Chevron Canada Resources	100
1-26	Chevron Canada Resources	100
3-26	Chevron Canada Resources	100
4-26	Chevron Canada Resources	100
6-26	Chevron Canada Resources	100
7-26	Chevron Canada Resources	100
8-26	Chevron Canada Resources	100
9-26	Corvair Oils Ltd.	20
	Calex Resources Ltd.	20
	Chevron Canada Resources	60
10-26	Corvair Oils Ltd.	20
	Calex Resources Ltd.	20
	Chevron Canada Resources	60
15-26	Corvair Oils Ltd.	20
	Calex Resources Ltd.	20
	Chevron Canada Resources	60
16-26	Corvair Oils Ltd.	20
	Calex Resources Ltd.	20
	Chevron Canada Resources	60
1-36	K & N Oil Development Co. Ltd.	100
2-36	Shannon Oils Ltd.	100

Effective November 1, 1994

# VIRDEN ROSELEA UNIT NO. 1 SCHEDULE "B"

## PRIMA FACIE WORKING INTEREST OWNERS AND THEIR FINAL PARTICIPATING INTEREST IN THE VIRDEN-ROSELEA UNIT NO. 1 AS AT NOVEMBER 1, 1994

<u>Working Interest Owner</u>	<u>Final Participating Interest (%)</u>
Chevron Canada Resources	71.30029
Amerada Hess Canada Ltd.	19.22893
Mannville Oil & Gas Ltd.	5.51520
Murphy Oil Company Ltd.	0.94070
Prairie Oil Royalties Company, Ltd.	0.94070
Frazier, C.M.	0.70589
Calex Resources Ltd.	0.43205
Corvair Oils Ltd.	0.43204
K & N Oil Development Co. Ltd.	0.29339
North West Exploration Company Ltd.	0.09215
Shannon Oils Ltd.	0.06198
Frontenac Petroleum Co. Ltd.	<u>0.05668</u>
	<b>100.00000</b>



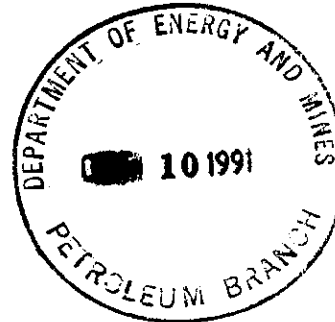
# CANADA NORTHWEST ENERGY LIMITED

2700 THE ALBERTA STOCK EXCHANGE TOWER  
300 FIFTH AVENUE S.W., CALGARY, ALBERTA, CANADA T2P 3C4  
TELEX 03-825692 • FAX (403) 260-2995 • TELEPHONE (403) 260-2900

→ John pls return to Brad

October 1, 1991

Manitoba Energy and Mines  
Petroleum Branch  
555 - 330 Graham Avenue  
Winnipeg, Manitoba  
R3C 4E3



Dear Sirs:

Re: Sale of Canada Northwest Energy Limited's  
Interest to Chevron Canada Resources:  
Daly Unit No. 1  
Daly Unit No. 3  
Routledge Unit No. 1  
Virden-Roselea Unit No. 1  
Virden-Roselea Unit No. 3

We wish to advise that effective September 1, 1991 Canada Northwest Energy Limited assigned its entire interest in the above referenced Units to Chevron Canada Resources.

Furthermore, Canada Northwest Energy Limited resigned as Unit Operator of the Daly Unit No. 1 effective as of September 1, 1991. By virtue of a mail ballot amongst the working interest owners in the Daly Unit No. 1 Chevron Canada Resources was appointed as the succeeding Unit Operator effective as of September 1, 1991.

We request that any well licenses or pipeline permits pertaining to the captioned Units that are currently registered in the name of Canada Northwest Energy Limited be transferred to Chevron Canada Resources Limited, in its capacity as Managing Partner on behalf of the Chevron Canada Resources partnership. The address for service shall be:

Chevron Canada Resources Limited  
500 - 5th Avenue, S. W.  
Calgary, Alberta  
T2P 0L7

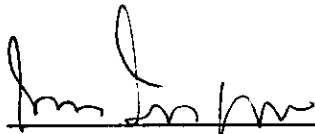
Attention: Manager, Units and Joint Ventures

Thank you for your co-operation in this matter.

CANADA NORTHWEST ENERGY LIMITED

CHEVRON CANADA RESOURCES,  
by its Managing Partner,  
CHEVRON CANADA RESOURCES  
LIMITED

Per:



SENIOR VICE PRESIDENT

Per:



AMENDMENTS TO  
PLAN FOR UNIT OPERATION  
GOVERNING THE UNITIZED MANAGEMENT  
OPERATION AND FURTHER DEVELOPMENT OF  
VIRDEN-ROSELEA UNIT NO. 1

October 1, 1968

AMENDMENTS TO  
PLAN FOR UNIT OPERATION  
GOVERNING THE UNITIZED MANAGEMENT  
OPERATION AND FURTHER DEVELOPMENT OF  
VIRDEN-ROSELEA UNIT NO. 1

1. Paragraph (d) of Section 1.02 is rescinded, and the following substituted therefor:

"Effective Date"

- (d) "Effective Date" means the hour of 7:00 o'clock in the forenoon, Central Standard Time, on the first day of July, A.D., 1965, except that:
- i) with respect to tracts numbered 13-19, 16-19, 11-23, 13-23, 14-23, 14-21, 15-21, 11-29, 3-26, 4-26 and 6-26 "Effective Date" means the hour of 7:00 o'clock in the forenoon, Central Standard Time, on the first day of June, A.D. 1967;
  - ii) with respect to tracts numbered 9-19, 10-20, 2-28, 3-28 and 10-29 "Effective Date" means the hour of 7:00 o'clock in the forenoon, Central Standard Time, on the first day of October, A.D. 1968.

2. Part III is rescinded, and the following substituted therefor:

Tract  
Participation

- 3.01 The Tract Participation of each Tract is shown in Part XXIV hereof and was determined with respect

AMENDMENTS TO  
PLAN FOR UNIT OPERATION  
GOVERNING THE UNITIZED MANAGEMENT  
OPERATION AND FURTHER DEVELOPMENT OF  
VIRDEN-ROSELEA UNIT NO. 1

1. Paragraph (d) of Section 1.02 is rescinded, and the following substituted therefor:

"Effective Date"

- (d) "Effective Date" means the hour of 7:00 o'clock in the forenoon, Central Standard Time, on the first day of July, A.D., 1965, except that:
- i) with respect to tracts numbered 13-19, 16-19, 11-23, 13-23, 14-23, 14-21, 15-21, 11-29, 3-26, 4-26 and 6-26 "Effective Date" means the hour of 7:00 o'clock in the forenoon, Central Standard Time, on the first day of June, A.D. 1967;
  - ii) with respect to tracts numbered 9-19, 10-20, 2-28, 3-28 and 10-29 "Effective Date" means the hour of 7:00 o'clock in the forenoon, Central Standard Time, on the first day of October, A.D. 1968.

2. Part III is rescinded, and the following substituted therefor:

Tract  
Participation

- 3.01 The Tract Participation of each Tract is shown in Part XXIV hereof and was determined with respect



to all Tracts except Tracts 14-21, 13-19, 16-19, 15-21, 11-29, 11-23, 13-23, 14-23, 3-26, 6-26, and 4-26, (hereinafter called "the First Enlargement Tracts") and Tracts 9-19, 10-20, 2-28, 3-28, 10-29 (hereinafter called "the Second Enlargement Tracts"), by adding one-half of the current production factor calculated pursuant to paragraph (a) following to one-half (1/2) of the average monthly Oil production factor penalized for water production arrived at pursuant to paragraph (b) following, and reducing the sum arrived at as aforesaid by one (1) minus the total percentage participation of the First Enlargement Tracts and the Second Enlargement Tracts, namely: 1.0000000 minus 0.1632701.

(a) Current production factor: such factor is the percentage calculated by dividing the Oil production of such Tract during the interval April 1, 1964, to September 30, 1964, by the Oil production for all Tracts other than the First Enlargement Tracts and the Second Enlargement Tracts abovementioned during the same interval, and multiplying by 100;

(b) Average monthly Oil production factor penalized for water production; such factor is arrived at by:

(i) determining average monthly Oil production

of the Tract by dividing its cumulative Oil production to September 30, 1964, by the number of calendar months since the Well on such Tract first went on production, provided that the first calendar month shall not be counted as such unless the Oil production from the Well on any such Tract for that calendar month was greater than one-half (1/2) of the Oil production from such Well for the next succeeding month;

- (ii) calculating a fractional water cut for the Tract by dividing the water production for the interval set out in paragraph (a) hereof by the sum of its water and Oil production for the same period; PROVIDED, THAT, with respect to those Tracts which did not produce during the interval referred to, the fractional water cut shall be calculated by dividing the water production for each such Tract during the consecutive six-month period that ends with the last recorded production by the sum of such Tract's water and Oil production for the same period;
- (iii) multiplying the average monthly Oil production for the Tract obtained in (i) by the fraction one minus the water cut appropriate

to the Tract as determined in (ii);

- (iv) dividing the product obtained in (iii) for the Tract by the sum of all the products obtained in (iii) for all the Tracts other than the First Enlargement Tracts and the Second Enlargement Tracts and multiplying by one hundred (100).

3.02 The Tract Participation of the First Enlargement Tracts mentioned in Section 3.01 was determined as follows:

- (a) The Tract Participation of Tract 14-21 is the sum of one-half ( $1/2$ ) of the figure for Tract Participation calculated pursuant to clause (A) below and one-half ( $1/2$ ) of the figure for the average of the Tract Participation calculated pursuant to Clause (B) below, reduced by one (1) minus the percentage participation of the Second Enlargement Tracts, namely: 1.0000000 minus 0.0397417.

(A) Tract Participation: such is determined for Tract 14-21 according to the method set out in Section 3.01, modified in the following respects:

- (i) the reference to "all Tracts" or "all the Tracts" herein is construed as including the First Enlargement Tracts;
- (ii) the interval referred to in paragraph (a) of Section 3.01 (hereinafter called the current production interval) and the date

referred to in clause (i) of paragraph  
 (b) of that Section (hereinafter called the  
 cumulative Oil production date) are replaced  
 in relation to each of the said First Enlarge-  
 ment Tracts by a current production interval  
 and a cumulative Oil production date as here-  
 under set out:

<u>Tract No.</u>	<u>Current Production Interval</u>	<u>Cumulative Oil Production Date</u>
14-21	November 1, 1965 to April 30, 1966	April 30, 1966
13-19	May 1, 1965 to October 31, 1965	October 31, 1965
16-19	May 1, 1965 to October 31, 1965	October 31, 1965
15-21	August 1, 1965 to January 31, 1966	January 31, 1966
11-29	November 1, 1965 to April 30, 1966, with production for February and March, 1966, being adjusted to 22 barrels of oil per calendar day.	April 30, 1966 (to reflect changes during current production period)
11-23	July 1, 1965 to December 31, 1965	December 31, 1965
13-23	July 1, 1965 to December 31, 1965	December 31, 1965
14-23	July 1, 1965 to December 31, 1965	December 31, 1965
3-26	June 1, 1965 to November 30, 1965	November 30, 1965
6-26	June 1, 1965 to November 30, 1965	November 30, 1965
4-26	January 1, 1966 to June 30, 1966	June 30, 1966

(B) Average of the Tract Participation of Tracts 11-21, 12-21 and 13-21: such is determined according to the method set out in Section 3.01 without being reduced by the total participation of the First Enlargement Tracts.

(b) The Tract Participations of Tracts 13-19, 16-19 15-21, 11-29, 11-23, 13-23, 14-23, 3-26, 6-26 and 4-26 (hereinafter called the "ten excepted Tracts") is determined according to the method set out in Section 3.01 modified in the following respects:

- (i) the reference to "all Tracts" or "all the Tracts" herein is construed as including the ten excepted Tracts;
- (ii) the current production interval and the cumulative Oil production date used for each of the ten excepted Tracts are those set out in relation to such Tracts in clause (ii) of subparagraph (A) of paragraph (a) of this Section 3.02;
- (iii) the figure obtained for Tract Participation of each of the ten excepted Tracts determined as aforesaid is reduced by one (1) minus the percentage participation of Tracts 14-21 and the Second Enlargement Tracts, namely:  
1.0000000 minus 0.0691583 instead of one

(1) minus the total percentage participation of the First Enlargement Tracts aforementioned.

3.03 The Tract Participation of each of the Second Enlargement Tracts was determined by adding one-half (1/2) of a current production factor calculated pursuant to paragraph (a) below to one-half (1/2) of the same current production factor penalized for water production arrived at pursuant to paragraph (b) below.

(a) Current production factor: such factor is the percentage calculated by dividing the Oil production of such Tract during the current production interval as set out in paragraph (c) below, by the Oil production of all Tracts and multiplying by one hundred (100);

(b) Current production factor penalized for water production; such a factor is arrived at by:

(i) calculating the total Oil and the total water production from all Tracts except the Second Enlargement Tracts during the current production interval and treating such production in the following calculations as being from one Tract;

(ii) calculating a fractional water cut for the Tract by dividing the water production for the Tract during the current production interval by the sum of its water and Oil production for the same period;

- (iii) multiplying the current production factor obtained in (a) by the fraction one (1) minus the water cut appropriate to the Tract;
- (iv) dividing the product obtained in (iii) by the sum of all the products obtained in (iii) for all the Tracts in the Unit and multiplying by one hundred (100);

(c)	<u>Tract No.</u>	<u>Current Production Interval</u>
	9-19	July 1, 1966 to December 31, 1966
	10-20	June 1, 1967 to November 30, 1967
	2-28	June 1, 1967 to November 30, 1967
	3-28	June 1, 1967 to November 30, 1967
	10-29	June 1, 1967 to November 30, 1967
	All Tracts except the Second En- largement Tracts	June 1, 1967 to November 30, 1967.

3.04 The total of the Tract Participations for all Tracts, including the First Enlargement Tracts and the Second Enlargement Tracts mentioned in Section 3.01, shall at all times equal one hundred (100%) percent.

3.05 This Part III is explanatory only and the Tract Participations shown in Part XXIV shall be deemed to be correctly made in accordance with this Part III.

3. Part XXI is rescinded, and the new Part XXI hereunder is substituted therefor:

PART XXI

WELLS DELIVERED TO UNIT OPERATOR PURSUANT TO PART X

Sun M. Welch SWD 12-20-10-25	Chevron Virden 13-21-10-25
Chevron East Virden Prov. SWD 5-28-10-25	Chevron Virden 14-21-10-25
Frontenac Sun Virden SWD 9-21-10-25	Frontenac Sun Virden 15-21-10-25
Bralorne East Virden 9A-19-10-25	Chevron <sup>est</sup> E. Virden 2-28-10-25
Bralorne Virden 13-19-10-25	Chevron East Virden Prov. 3-28-10-25
Bralorne East Virden 16A-19-10-25	Chevron East Virden Prov. 4-28-10-25
Chevron Virden 8-20-10-25	Chevron East Virden Prov. 1-29-10-25
Chevron Virden 9-20-10-25	Chevron East Virden Prov. 2-29-10-25
Chevron Virden 10-20-10-25	Chevron East Virden Prov. 3-29-10-25
Sun M. Welch Virden 11-20-10-25	Chevron East Virden Prov. 4A-29-10-25
Sun M. Welch Virden 13-20-10-25	Chevron East Virden Prov. 5-29-10-25
Sun M. Welch Virden 14-20-10-25	Chevron East Virden Prov. 6-29-10-25
Chevron Virden 15-20-10-25	Chevron East Virden Prov. 7A-29-10-25
Chevron Virden 16-20-10-25	Chevron East Virden Prov. 8-29-10-25
Frontenac Sun Virden 5-21-10-25	Chevron East Virden <sup>Prov.</sup> 10-29-10-25
Frontenac Sun Virden 6-21-10-25	Chevron East Virden Prov. 11-29-10-25
Frontenac Read Virden 7-21-10-25	Chevron East Virden Prov. 12-29-10-25
Bintner Sun Virden 10-21-10-25	CEGO Virden 1-30-10-25
Chevron Virden 11-21-10-25	CEGO Virden 2-30-10-25
Chevron Virden 12-21-10-25	CEGO Virden 3-30-10-25



CEGO Virden 4-30-10-25	Chevron Virden CPR 1-25-10-26
CEGO Virden 5-30-10-25	Chevron Virden CPR 2-25-10-26
CEGO Virden 6-30-10-25	Chevron Virden 3-25-10-26
CEGO Virden 7-30-10-25	Chevron Virden 4-25-10-26
CEGO Virden 8-30-10-25	Chevron Virden 5-25-10-26
CEGO Virden 9-30-10-25	Chevron Virden 6-25-10-26
CEGO Virden 10-30-10-25	Chevron Virden CPR 7-25-10-26
CEGO Virden 11-30-10-25	Chevron Virden CPR 8-25-10-26
CEGO Virden 12-30-10-25	Chevron Virden CPR 9-25-10-26
CEGO Virden 15-30-10-25	Chevron Virden CPR 10-25-10-26
Teck Hepburn Virden 9-23-10-26	Chevron Virden 11-25-10-26
Teck Hepburn Virden 10-23-10-26	Chevron Virden 12-25-10-26
Teck Hepburn Virden 11-23-10-26	Chevron Virden 13-25-10-26
Teck Hepburn Virden 13-23-10-26	Chevron Virden 14-25-10-26
Teck Hepburn Virden 14-23-10-26	Chevron Virden CPR 15-25-10-26
Teck Hepburn Virden 15-23-10-26	Chevron Virden CPR 16-25-10-26
Teck Hepburn Virden 16-23-10-26	Chevron Virden 1-26-10-26
Chevron Virden 9-24-10-26	Chevron Virden 3-26-10-26
Chevron Virden 10-24-10-26	Chevron Virden 4-26-10-26
Chevron Virden 11-24-10-26	Chevron Virden 6-26-10-26
Chevron Virden 12-24-10-26	Chevron Virden 7-26-10-26
Chevron Virden 13-24-10-26	Chevron Virden 8-26-10-26
Chevron Virden 14-24-10-26	Rundle Grasby Virden 9-26-10-26
Chevron Virden 15-24-10-26	Rundle Grasby Virden 10-26-10-26
Chevron Virden 16-24-10-26	Rundle Grasby Virden 15-26-10-26

Rundle Grasby Virden 16-26-10-26

Shannon Virden 2-36-10-26

K & N Virden 1-36-10-26

4. Part XXII is rescinded, and the new Part XXII hereunder  
is substituted therefor:

PART XXII

THE LANDS IN THE PROVINCE OF MANITOBA WHICH COMPRISE THE  
VIRDEN-ROSELEA UNIT NO. 1 ARE AS FOLLOWS:

<u>TRACT NUMBER</u>	<u>LEGAL DESCRIPTION</u>	<u>TRACT NUMBER</u>	<u>LEGAL DESCRIPTION</u>
	<u>TOWNSHIP 10 RANGE 25 WPM</u>		<u>TOWNSHIP 10 RANGE 25 WPM</u>
9-19	Lsd. 9, Section 19	10-21	Lsd. 10, Section 21
13-19	Lsd. 13, Section 19	11-21	Lsd. 11, Section 21
16-19	Lsd. 16, Section 19	12-21	Lsd. 12, Section 21
8-20	Lsd. 8, Section 20	13-21	Lsd. 13, Section 21
9-20	Lsd. 9, Section 20	14-21	Lsd. 14, Section 21
10-20	Lsd. 10, Section 20	15-21	Lsd. 15, Section 21
11-20	Lsd. 11, Section 20	2-28	Lsd. 2, Section 28
12-20	Lsd. 12, Section 20	3-28	Lsd. 3, Section 28
13-20	Lsd. 13, Section 20	4-28	Lsd. 4, Section 28
14-20	Lsd. 14, Section 20	5-28	Lsd. 5, Section 28
15-20	Lsd. 15, Section 20	1-29	Lsd. 1, Section 29
16-20	Lsd. 16, Section 20	2-29	Lsd. 2, Section 29
5-21	Lsd. 5, Section 21	3-29	Lsd. 3, Section 29
6-21	Lsd. 6, Section 21	4-29	Lsd. 4, Section 29
7-21	Lsd. 7, Section 21	5-29	Lsd. 5, Section 29

<u>TRACT NUMBER</u>	<u>LEGAL DESCRIPTION</u>	<u>TRACT NUMBER</u>	<u>LEGAL DESCRIPTION</u>
	<u>TOWNSHIP 10 RANGE 25 WPM</u>		<u>TOWNSHIP 10 RANGE 26 WPM</u>
6-29	Lsd. 6, Section 29	14-23	Lsd. 14, Section 23
7-29	Lsd. 7, Section 29	15-23	Lsd. 15, Section 23
8-29	Lsd. 8, Section 29	16-23	Lsd. 16, Section 23
10-29	Lsd. 10, Section 29	9-24	Lsd. 9, Section 24
11-29	Lsd. 11, Section 29	10-24	Lsd. 10, Section 24
12-29	Lsd. 12, Section 29	11-24	Lsd. 11, Section 24
1-30	Lsd. 1, Section 30	12-24	Lsd. 12, Section 24
2-30	Lsd. 2, Section 30	13-24	Lsd. 13, Section 24
3-30	Lsd. 3, Section 30	14-24	Lsd. 14, Section 24
4-30	Lsd. 4, Section 30	15-24	Lsd. 15, Section 24
5-30	Lsd. 5, Section 30	16-24	Lsd. 16, Section 24
6-30	Lsd. 6, Section 30	1-25	Lsd. 1, Section 25
7-30	Lsd. 7, Section 30	2-25	Lsd. 2, Section 25
8-30	Lsd. 8, Section 30	3-25	Lsd. 3, Section 25
9-30	Lsd. 9, Section 30	4-25	Lsd. 4, Section 25
10-30	Lsd. 10, Section 30	5-25	Lsd. 5, Section 25
11-30	Lsd. 11, Section 30	6-25	Lsd. 6, Section 25
12-30	Lsd. 12, Section 30	7-25	Lsd. 7, Section 25
15-30	Lsd. 15, Section 30	8-25	Lsd. 8, Section 25
	<u>TOWNSHIP 10 RANGE 26 WPM</u>	9-25	Lsd. 9, Section 25
9-23	Lsd. 9, Section 23	10-25	Lsd. 10, Section 25
10-23	Lsd. 10, Section 23	11-25	Lsd. 11, Section 25
11-23	Lsd. 11, Section 23	12-25	Lsd. 12, Section 25
13-23	Lsd. 13, Section 23	13-25	Lsd. 13, Section 25

## TRACT

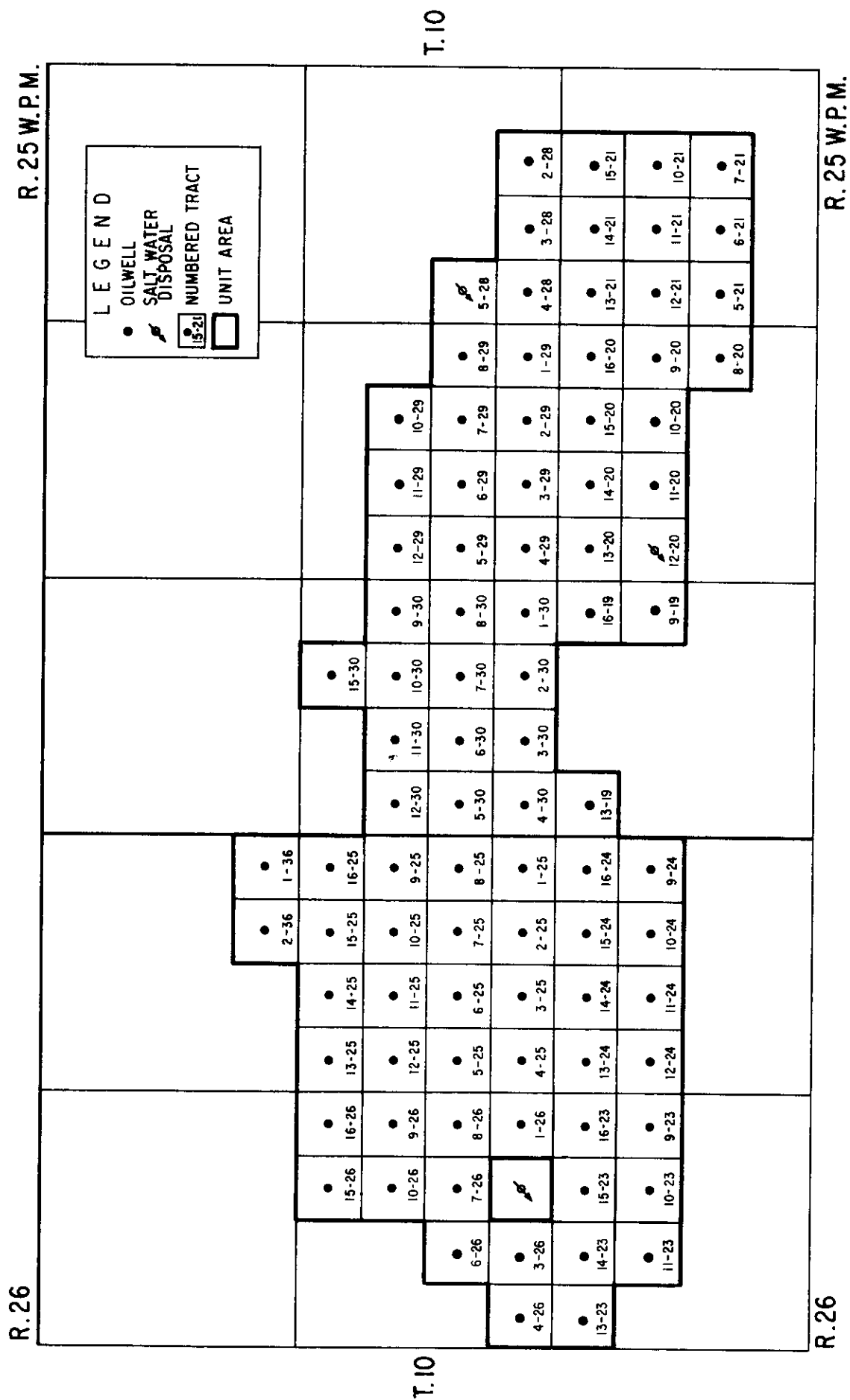
<u>TRACT NUMBER</u>	<u>LEGAL DESCRIPTION</u>	<u>TRACT NUMBER</u>	<u>LEGAL DESCRIPTION</u>
	<u>TOWNSHIP 10 RANGE 26 WPM</u>		<u>TOWNSHIP 10 RANGE 26 WPM</u>
14-25	Lsd. 14, Section 25	8-26	Lsd. 8, Section 26
15-25	Lsd. 15, Section 25	9-26	Lsd. 9, Section 26
16-25	Lsd. 16, Section 25	10-26	Lsd. 10, Section 26
1-26	Lsd. 1, Section 26	15-26	Lsd. 15, Section 26
3-26	Lsd. 3, Section 26	16-26	Lsd. 16, Section 26
4-26	Lsd. 4, Section 26	1-36	Lsd. 1, Section 36
6-26	Lsd. 6, Section 26	2-36	Lsd. 2, Section 36
7-26	Lsd. 7, Section 26		

5. Part XXIII is rescinded, and the new Part XXIII hereunder is substituted therefor:

PART XXIII

## MAP OF UNIT AREA

**PART XXIII**



6. Part XXIV is rescinded, and the new Part XXIV hereunder is substituted therefor:

PART XXIV

<u>TRACT NUMBER</u>	<u>TRACT PARTICIPATION</u>	<u>TRACT NUMBER</u>	<u>TRACT PARTICIPATION</u>
9-19	0.37341	15-21	0.10848
13-19	0.21709	2-28	0.70751
16-19	1.29090	3-28	1.47929
8-20	0.06959	4-28	1.00932
9-20	0.28027	5-28	0.00517
10-20	1.05762	1-29	2.03324
11-20	0.19140	2-29	1.20165
12-20	0.01161	3-29	2.90984
13-20	2.01385	4-29	3.72943
14-20	1.11790	5-29	2.22861
15-20	1.29902	6-29	0.93923
16-20	1.03054	7-29	0.47028
5-21	0.12056	8-29	1.32024
6-21	0.74814	10-29	0.35634
7-21	0.85510	11-29	2.26630
10-21	0.97508	12-29	0.57878
11-21	1.92504	1-30	1.77805
12-21	1.54772	2-30	0.82315
13-21	2.11585	3-30	0.57557
14-21	2.94166	4-30	1.23503

<u>TRACT NUMBER</u>	<u>TRACT PARTICIPATION</u>	<u>TRACT NUMBER</u>	<u>TRACT PARTICIPATION</u>
5-30	1.30651	3-25	1.54956
6-30	1.98935	4-25	0.58418
7-30	1.55351	5-25	1.01995
8-30	1.02670	6-25	1.02840
9-30	2.89045	7-25	1.61056
10-30	3.27128	8-25	2.87682
11-30	1.47081	9-25	0.82888
12-30	0.99836	10-25	1.40585
15-30	0.31016	11-25	1.67136
9-23	0.22315	12-25	2.08400
10-23	1.84992	13-25	0.89672
11-23	1.37945	14-25	0.99091
13-23	0.58028	15-25	0.96033
14-23	0.86382	16-25	0.51600
15-23	1.24664	1-26	0.02211
16-23	0.99990	3-26	0.79770
9-24	0.09043	4-26	1.33481
10-24	0.19784	6-26	0.57235
11-24	0.37543	7-26	0.39522
12-24	0.33182	8-26	0.27608
13-24	1.09395	9-26	0.48173
14-24	0.97856	10-26	0.48091
15-24	1.11758	15-26	0.68758
16-24	1.86769	16-26	0.51001
1-25	0.91891	1-36	0.29339
2-25	1.19225	2-36	0.06198

7. Clause (a) of subparagraph (iii) of paragraph (k) of Section 26.07 is rescinded, and the following substituted therefor:

"(a) \$5,250.00 per month for all producing operations."

-----0-----





# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

October 17, 1968

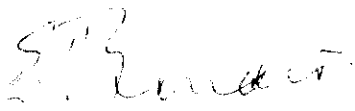
Enlargement -  
Virden-Roselea Unit No. 1  
Our File No. 54,499-G

Mr. J. S. Richards,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board,  
Province of Manitoba,  
Box 42 Legislative Building,  
Winnipeg 1, Manitoba.

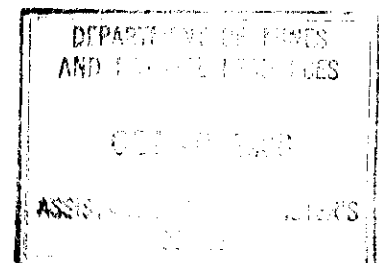
Dear Sir:

We acknowledge with thanks receipt of your letter of October 11,  
1968, enclosing four (4) certified copies of Board Unitization  
Order No. 7.

Yours very truly,

  
E. H. GAUDET, Chairman,  
Virden-Roselea Unit No. 1  
Legal Committee.

EHG/ps



October 11, 1968

Chevron Standard Limited,  
400 Fifth Avenue S.W.,  
Calgary, Alberta.

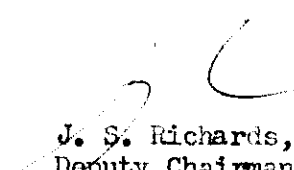
Attention: Mr. E. H. Gaudet

Re: Unitization Order No. 7

Dear Sir:

Enclosed herewith are four (4) certified copies of the above Order, as requested in your letter of October 7, 1968.

Yours very truly,



J. S. Richards,  
Deputy Chairman.

/h



# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

R. R. MAHAFFEY  
GENERAL ATTORNEY

October 7, 1968

Application to Enlarge  
Virden-Roselea Unit No. 1

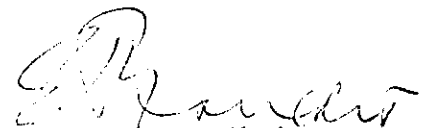
Mr. W. Winston Mair,  
Chairman, The Oil and  
Natural Gas Conservation Board,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Dear Sir:

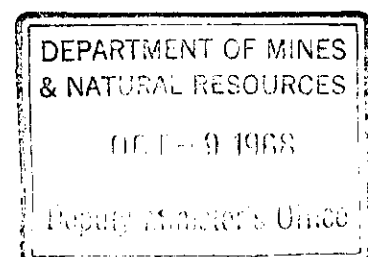
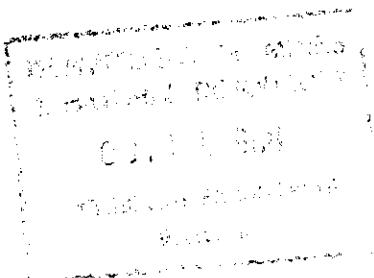
Copies of the Amendments to the Plan for Unit Operation reflecting the recent enlargement of the Unit, as you know, should be filed with the Department of Mines and Natural Resources and with the appropriate Land Titles Office. We would be pleased, therefore, if you would let us have four (4) certified copies of Unitization Order No. 7.

We will remit your fee upon your advice of the amount of same.

Yours very truly,

  
E. H. GAUDET, Chairman,  
Virden-Roselea Unit No. 1  
Legal Committee.

EHG/ps



INTER - DEPARTMENTAL MEMORANDUM

FROM F. S. Gamay



PROVINCE  
OF  
MANITOBA

DATE September 30, 1968

TO J. S. Roper  
Director of Mines

SUBJECT The Regulations Act - Erratum Notice

---

CORRECTIONS TO MANITOBA REGULATION 129/68

Manitoba Regulation 129/68, as published in No. 39 of Volume 97 of the Manitoba Gazette, dated the 28th day of September, 1968, is to be corrected by inserting the date of approval as follows:

Oil and Natural Gas Order No. 46A, made and passed this 13th day of August A.D., 1968, at the city of Winnipeg, in the Province of Manitoba, by The Oil and Natural Gas Conservation Board.

CORRECTIONS TO MANITOBA REGULATION 130/68

Manitoba Regulation 130/68, as published in No. 39 of Volume 97 of the Manitoba Gazette, dated the 28th day of September, 1968, is to be corrected by inserting after the main heading, offsetting the 4th line, in brackets:

(Filed September 20th, 1968)

*F. S. Gamay*

Mr. J. S. Reper,  
Director of Mines,  
Mines Branch,  
901 Morquay Building.

September 30, 1968.

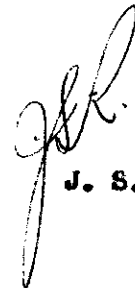
Mr. G. A. Higenbottom,  
Registrar of Regulations,  
Legislative Assembly,  
249 Legislative Building.

COPY

The Oil and Natural Gas Conservation Board -

Erratum Notice -- The Manitoba Gazette -  
Manitoba Regulation 129/68;  
Manitoba Regulation 130/68.

The attached corrections are submitted for your consideration, filing, and publication in The Manitoba Gazette as soon as possible.



J. S. Reper.

:DB

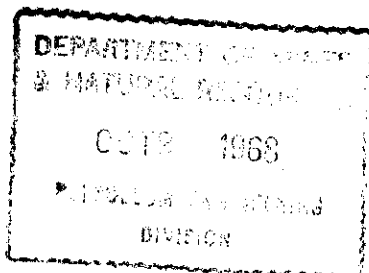
Enc. 1.

c. c. to: Mr. W. Winston Mair,  
Chairman,  
The Oil and Natural Gas Conservation Board.

Mr. J. S. Richards,  
Deputy Chairman.

Mr. M. J. Gobert,  
Member.

Mr. F. S. Ganev,  
Reservoir Engineer.





DEPUTY MINISTER OF MINES AND NATURAL RESOURCES  
OTTAWA

September 24, 1968

Mr. E. H. Gaudet,  
Chairman,  
Virden-Roselea Unit No. 1,  
Legal Committee,  
Chevron Standard Limited,  
400 Fifth Avenue S.W.,  
Calgary, Alberta.

Dear Mr. Gaudet:

Re: Virden-Roselea Unit No. 1  
Enlargement

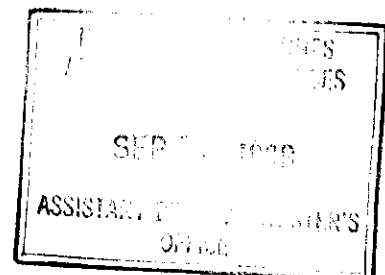
Thank you for your letter of September 20th explaining why Consents had not been received from all the Royalty Owners in the area proposed for enlargement. We will appreciate receiving the outstanding Consents as soon as possible.

Yours sincerely,

  
W. Winston Blair,

Chairman,  
The Oil and Natural Gas  
Conservation Board.

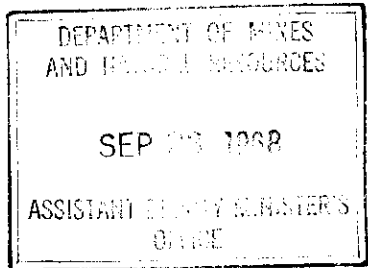
cc. Mr. M. J. Gobert  
Mr. J. S. Richards ✓



# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

September 20, 1968



## Virden-Roselea Unit No. 1 Enlargement

Mr. W. Winston Mair, Chairman,  
The Oil and Natural Gas Conservation  
Board,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Dear Sir:

In my telephone conversation with Mr. Gebert today he asked me to write you explaining why we had obtained Consents from only 79.84837% of the Royalty Owners in the area proposed for enlargement. From the Consents which we filed with you you will note that we did not file a Consent covering Tract No. 2-28 nor for 25% interest in Tract No. 9-19.

The 25% Royalty Interest in Tract No. 9-19 is owned by the Canada Permanent Trust Company representing 38 shareholders in the Woodworth Royalty Trust No. 1. Under the trust arrangement the trust company requires consents from persons holding 75% of the shares and since there are 2,500 shares the task of obtaining these consents takes quite some time. The trust company has, however, been working on the matter but we have not had a recent report from them.

The registered owner of the mines and minerals in Tract No. 2-28 is the National Trust Company and the beneficial interest owner is Miss Elsie G. Bain of Toronto. When we contacted the National Trust Company for execution of the Consent we were advised that the property had been assigned to Miss Bain and that we should obtain the consent from her. However, the property had not been assigned to Miss Bain due to some slipup and Miss Bain's solicitor has now insisted that the trust company complete the transfer before anything further is done. We understand that the transfer is now being made and when this has been done Miss Bain and her solicitor will give their attention to the Consent form.

Mr. W. Winston Mair, Chairman,  
The Oil and Natural Gas Conservation Board.

September 20, 1968

There is still some time left until the October 1, 1968 Effective Date and we are hoping that in both instances the Consent forms might be forthcoming before the Effective Date.

We trust that this explanation will be satisfactory for your purposes and we wish to thank you for your kind cooperation in this matter.

Yours very truly,



E. H. GAUDET, Chairman,  
Virden-Roselea Unit No. 1  
Legal Committee.

EHG/ps

cc: Mr. J. S. Richards ✓  
Mr. M. J. Gobert



September 19, 1968.

Mr. J. S. Koper,  
Director of Mines.

COPY

Mr. G.A. Higenbottam,  
Registrar of Regulations,  
Office of the Legislative  
Counsel,  
249 Legislative Building.

The Oil and Natural Gas

Conservation Board -  
Order No. 46A.

Attached, hereto, for filing, original  
and one copy of Certificate, and original and one copy of  
Manitoba Regulation, being The Oil and Natural Gas Conservation  
Board Order No. 46A, approved by the Minister of Mines and  
Natural Resources on August 13, 1968.

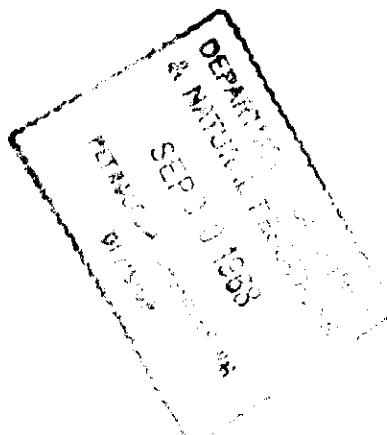
  
J. S. Koper.

:DB

Encs.

c. c. to: Mr. M. J. Gobert,  
Assistant Deputy Minister. (Forwarded by Tube).

Mr. F. S. Gamey,  
Reservoir Engineer.



September 12, 1968

T. E. Hage  
Petroleum Engineer

M. J. Gobert  
Assistant Deputy Minister

VIRDEN-ROSELEA UNIT #1 (2nd enlargement)

Royalty interest owners' consents

The following consents were received:

<u>ROYALTY OWNER</u>	<u>TRACT</u>	<u>% OF INTEREST IN TRACT</u>	<u>TRACT FACTOR</u>	<u>TRACT FACTOR X INTEREST</u>
Gary Mundell Sproat	9-19	25	0.37341	0.09335
John Mundell Sproat	9-19	50	0.37341	0.18671
N. Can Trust	10-20	(100% of FH) 90.25	1.05762	0.95450
Crown	10-20	(100% of Crown) 9.75	1.05762	0.10312
Crown	3-28	100	1.47929	1.47929
Crown	10-29	100	0.35634	0.35634
Total royalty participation represented				3.17331
Total tract factor of 2nd enlargement				3.97417

Percentage of royalty interest represented by consents -

$$\frac{3.17331}{3.97417} \times 100 = 79.8484\%$$



# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY 1, ALBERTA

September 4, 1969

October 1, 1968 Enlargement  
Virden-Roselea Unit No. 1  
Our File No. 54,499-G

Mr. W. Winston Mair, Chairman,  
The Oil and Natural Gas Conservation  
Board,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Dear Sir:

Further to our earlier correspondence I enclose an Affidavit  
of myself exhibiting a Consent received recently from Miss  
Elsie C. Bain which covers a 100% royalty interest in Tract  
No. 2-28. With this Consent we now have 100% Royalty Owner  
approval in the enlargement Tracts.

Yours very truly,

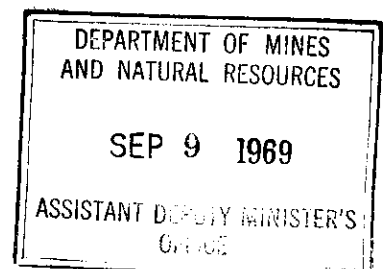
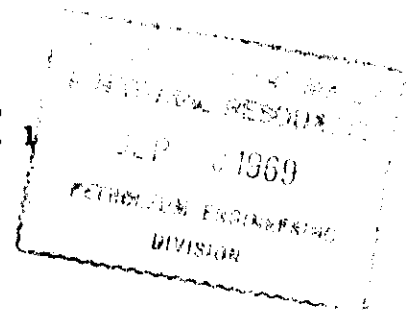
ORIGINAL SIGNED BY  
E. H. GAUDET

E. H. GAUDET, Chairman,  
Virden-Roselea Unit No. 1  
Legal Committee.

EHG/ps  
Encls.

cc: Mr. J. S. Richards, Member,  
The Oil and Natural Gas Conservation Board

Mr. M. J. Gobert, Member,  
The Oil and Natural Gas Conservation Board



## COPY

August 30, 1968.

Mr. J. L. Lebel,  
Vice-President,  
Chevron Standard Limited,  
400 - 5 Avenue, S.W.,  
Calgary,  
Alberta.

Dear Mr. Lebel: Attention Mr. E. H. Gaudet.

Enclosed, herewith, 3 copies of the  
Consent, signed by the Minister of Mines and Natural Resources,  
to the addition to Virden-Roselea Unit No. 1, in respect of the  
following tracts:

<u>Tract Number</u>	<u>Land Description</u>
10-20	Pt. 10-20-10-25, W.
3-28	3-28-10-25, W.
10-29	10-29-10-25, W.

Yours very truly,

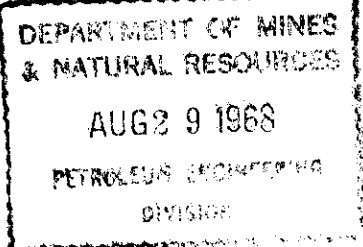
J. S. Richards,  
Director of Mines.

JSR:db

Encs. 3.

c. c. to: Mr. M. J. Gobert,  
Assistant Deputy Minister.

Mr. F. S. Gamey,  
Reservoir Engineer.



Mr. J. S. Richards,  
Director of Mines.

COPY

August 19, 1968.

Mr. M. J. Gobert,  
Assistant Deputy Minister.

Waterflood Performance.

Attached, hereto, a draft letter to the operators of the several unitized areas, requesting "an assessment of the voidage balance characteristics of the waterflooding projects on an area type basis ... ", as suggested by Mr. McDaniel.

Presumably such a letter should be addressed to Mr. L. D. Brown, as Chairman of the four Operating Committees, and a copy sent to Mr. J. G. Trowell, Division Superintendent, Chevron Standard Limited, Calgary.

Probably Mr. McDaniel could suggest changes to this draft. Please advise if it should be sent to him for suggestions before forwarding to the Chairman of the Board.

JSR:db

J. S. Richards.

Enc.

c. c. to: Mr. F. S. Gamay,  
Reservoir Engineer.

August 14, 1968

F. S. Gamey

M. J. Gobert  
Assistant Deputy Minister

VIRDEN-ROSELEA #1 Consents

Corrections to be made -

1. Consent letter - 2nd line

S $\frac{1}{2}$  Sec. 20 should read SW $\frac{1}{4}$  Sec. 20

2. Under Land Description - delete 2-28-10-25 WPM

Tract Number - delete 2-28

Tract Participation - delete 0.70751

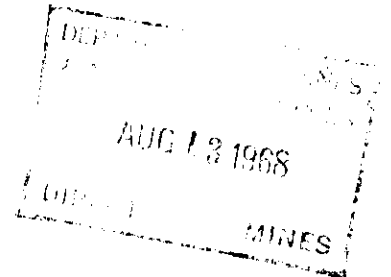
\*\*\*\*\*

Corrections have been made in the six copies of proposed amendments as to well names Part XXI, and insertion of comma after "Time", ii) page 1.

# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

August 9, 1968



## Proposed Enlargement Virden-Roselea Unit No. 1

Mr. W. Winston Mair, Chairman,  
The Oil and Natural Gas Conservation  
Board,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Dear Sir:

For your information and records we enclose six copies of the proposed Amendment to the above-mentioned Plan. If you require further copies please let me know.

Yours very truly,

ORIGINAL SIGNED BY  
E. H. GAUDET  
E. H. GAUDET, Chairman,  
Virden-Roselea Unit No. 1  
Legal Committee.

ENG ps  
Encls.

cc: Mr. J. S. Richards

Mr. M. J. Gobart

p. c. to: Mr. F. S. Gamey,  
Reservoir Engineer.

# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

*(Notified)*  
M. J. G. (AUG. 13/68)

August 9, 1968

CONSENT FORMS WERE  
SENT TO MINISTER DIRECT.  
TRACT 2-28 NOT STRUCK OUT.

*FSG*

Proposed Enlargement  
Virden-Roselea Unit No. 1

The Honourable Donald W. Craik,  
Minister of Mines and Natural Resources,  
Government of Manitoba,  
Legislative Building,  
Winnipeg 1, Manitoba.

Dear Sir:

We enclose the following:

1. Three copies of a form of Royalty Owner Consent.
2. Three copies of an Application filed by Chevron Standard Limited, dated June 19, 1968.

Upon the Application of Chevron Standard Limited, copies of which are enclosed, The Oil and Natural Gas Conservation Board of Manitoba held a Hearing of the Application on July 18, 1968 at Virden and approved the Application in principal subject to our obtaining consents of the Royalty Owners pursuant to Section 74 (b) of The Mines Act. Prior to the Hearing the Working Interest Owners in the Unit overwhelmingly gave their consent in writing to the Board making an order in accordance with the Application.

Inasmuch as the Crown is the Royalty Owner in respect to Tracts 2-28, 3-28, 10-29 and a portion of 10-20 we have prepared the enclosed Consent form for your execution. We would appreciate it if you would sign and return two copies of the Consent form to this office at your earliest convenience.

We wish to thank you in advance for your kind cooperation.

Yours very truly  
ORIGINAL SIGNED BY  
E. H. GAUDET

J. L. LEBEL

EHG:ps  
Encls.

cc: Mr. W. Winston Mair, Mr. J. S. Richards, Mr. M. J. Gobert

p. c. to: Mr. F. S. Gamey, Reservoir Engineer.

CROWN  
3.9 acres  
40. acres  
40. acres

TRACT  
10-20  
3-28  
10-29

*Check for  
TRACT 2-28  
NOT CROWN*

*STRIKE OUT*



August 9, 1968

UNIT #1 - Second Enlargement (5 Tracts)  
CROWN PARTICIPATION

1. Acreage

<u>Tract No.</u>	<u>Crown Acreage</u>	<u>Tract Factor</u>
10-20-10-25	3.9 acres	1.05762
3-28-10-25	40 "	1.47929
10-29-10-25	40 "	0.35634
	<hr/> 83.9 acres	

Total acreage in enlargement (5 tracts) = 200 acres

Percentage Crown acreage  $\frac{83.9}{200} \times 100 = 41.95\%$

2. Production

<u>Tract No.</u>	<u>Tract Participation Factor</u>		<u>Crown Interest</u>
9-19	0.37341		
10-20	1.05762	9.75% Crown	0.10318
2-28	0.70751		
3-28	1.47929		1.47929
10-29	0.35634		0.35634
	<hr/> 3.97417		<hr/> 1.93881

% Crown participation =  $\frac{1.93881}{3.97417} \times 100 = 48.785\%$

August 2, 1968

F. S. Gamey  
Reservoir Engineer  
911 Norquay Bldg.

R. H. Tallin  
Legislative Counsel  
249 Legislative Bldg.

Unitization Order No. 7

Allowable order No. 46A

Enclosed are the unsigned Board Orders for the above, for preparation of galley proof.

For proof reading, it would be appreciated if the galley proof could be returned, by the printer, to

Room 911  
Norquay Bldg.  
Att: F. S. Gamey      (ph. WH 6-7161)

It may be some time before we can get the Order approved, but we would like to be prepared to proceed with the Regulation as soon as the Order-in-Council is put through.

August 2, 1968

F. S. Gamey

M. J. Gobert  
Assistant Deputy Minister

Royalty Owner Consents

Virden-Roselea Unit #1 enlargement

Mr. Gaudet informed me that they are sending a man to Winnipeg, next week, to try and obtain the necessary consents. They have not received any written consents as yet.

August 2, 1968

M. J. Gobert

Mr. W. Winston Mair  
Deputy Minister

Unitization Order No. 7

Order No. 46A

Minister's consent for Crown to enter Unitization agreement

Enclosed, herewith, are the above orders for your signature and the approval of the Minister of Mines and Natural Resources.

Unitization Order No. 3 established the Plan for the Unit Operation Governing the Unitized Management and Further Development of the Virden-Roselea Unit No. 1, and it was amended by Unitization Order No. 6 by adding further tracts and adjusting the tract participation.

Unitization Order No. 7, enclosed, amends Unitization Order No. 6 by adding 5 more tracts and establishing the tract participation for the new tracts and adjusting the tract participation of the existing tracts.

The changes to Part XXI to Part XXIV inclusive are the changes in wording necessary to include the new tracts and the change in participation factors.

Order No. 46A exempts the wells added to the Unit from Order No. 22A which fixes a maximum permissible rate of production for other wells in the Virden-Roselea Field.

The Recommendation-to-Council in respect to Unitization Order No. 7 has been prepared. When these Orders have been signed by the Minister, the extra copies necessary for Cabinet will be forwarded.

July 23, 1968

F. S. Gamey

J. S. Richards  
Director of Mines

HEARING - July 18/68      Virden-Roselea #1 Enlargement

Remarks of Chairman

Re: Consents of Royalty Owners  
Notification of applicant, etc.

CHAIRMAN: I think, gentlemen, what we can do is to approve the application in principle, subject to you getting the necessary consents from the Royalty Owners - under Section 74 - if we have them, then we can proceed with the matter without any further meeting of the Board.

(Chairman then quoted Section 74 (b) of Cap. 166 - Mines Act)

\*\*\*\*\*

GOBERT: I think, Mr. Chairman, it would be in order if we wrote the applicant, when we get back, stating that we did approve in principle, under these conditions.

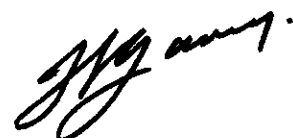
GAUDET: And to be approved effective October 1st?

GOBERT: We will do our best.

\*\*\*\*\*

GOBERT: It will depend entirely on you to get those consents filed, whether we can make that October 1st deadline.

GAUDET: We will do our best to get them in as soon as we can.



July 9, 1968.

Mr. J. S. Richards,  
Director of Mines.

COPY

Mr. M. J. Gobert,  
Assistant Deputy Minister.

The Oil and Natural Gas Conservation Board -  
Hearing.

Mr. Moylan advises that more pressing  
business will make it impossible for him to attend the  
Board Hearing at Virden on July 18th.

J. S. Richards.

JSh:db

c. c. to: Mr. F. S. Gamey,  
Reservoir Engineer.

DEPARTMENT OF MINES  
& NATURAL RESOURCES

JUL 9 - 1968

PETROLEUM ENGINEERING  
DIVISION

# COPY

July 9, 1968.

Mr. R. R. McDaniel,  
President,  
McDaniel Consultants (1965) Ltd.,  
800 Western Union Building,  
640 - 8 Avenue, S.W.,  
Calgary,  
Alberta.

Dear Rod:

Please advise if you will require motel  
accommodation for the night of July 17th at Virden.

Yours very truly,

J. S. Richards,  
Director of Mines.

JSK:db

P. S.                      Attached, hereto, Notice of Hearing,  
and "Amendments to Plan for Unit Operation Governing  
the Unitized Management Operation and Further Development  
of Virden-Roselea Unit No. 1".

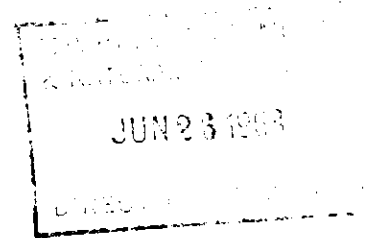
c. c. to: > Mr. F. S. Gamey,  
Reservoir Engineer.

DEPARTMENT OF MINES  
& NATURAL RESOURCES  
JUL 9 - 1968  
PETROLEUM ENGINEERING  
DIVISION

# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

June 24, 1968



Proposed Unit Enlargement  
Virden-Roselea Unit No. 1

The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Attention: Mr. W. Winston Mair, Chairman

Gentlemen:

As discussed in our meeting June 18, 1968, I enclose a copy of proposed Amendments to the Plan to cover the Enlargement.

I would be pleased to discuss the enclosure with you if you feel it is necessary.

Yours very truly,

*E. H. GAUDET*  
E. H. GAUDET, Chairman,  
Virden-Roselea Unit No. 1  
Legal Committee.

EHG/ps  
Encls.

cc: Mr. J. S. Richards - w/encl.  
Mr. M. J. Gobert - w/encls. (2)



c.c. to: Mr. W. Winston Mair,  
Chairman.  
Mr. M. J. Gobert,  
Member.  
Mr. D. W. Moylan,  
Departmental Solicitor.  
Mr. F. S. Ganey,  
Reservoir Engineer.

June 21, 1968.

REGISTERED

Mr. L. D. Brown,  
Chairman,  
Virden-Neelon Unit No. 1  
Operating Committee,  
Chevron Standard Limited,  
Box 100,  
Virden, Manitoba.

Dear Mr. Brown:

This is to advise that the last paragraph of the  
letter, over my signature, dated June 20, 1968, should have read  
as follows:

Copies of this notice, together with a copy of the  
application, are to be forwarded by registered mail to  
all known working interest owners, and Royalty Owners,  
in the present Virden-Neelon Unit No. 1 and the proposed  
enlargement. This service will be made 14 clear days  
before the hearing, and proved by affidavit at the hearing.

Yours very truly,

J. S. Richards,  
Deputy Chairman.

JSR/er

Encs.

c.c. to: Mr. L. H. Gaudet,  
Chevron Standard Limited,  
400 - 5th Ave., S.W., Calgary.

c.c. to: Mr. S. A. McCreo,  
Chevron Standard Limited,  
400 - 5th Ave., S.W.,  
Calgary, Alta.

p.c. to: Mr. F. S. Gamey,  
Reservoir Engineer.

June 20, 1968.

REGISTERED MAIL

Mr. L. D. Brown,  
Chairman,  
Virden-Roselle Unit No. 1  
Operating Committee,  
Chevron Standard Limited,  
Box 100,  
VIRIDEN, Manitoba.

Dear Mr. Brown:

Attached, hereto, copy of "Notice of Hearing" in respect of your application, dated June 19, 1968, for enlargement of Virden-Roselle Unit No. 1, and to amend Plan for the operation of this unit.

Copies of this notice, together with a copy of the application, are to be forwarded by registered mail to all known Working Interest Owners in the present Virden-Roselle Unit No. 1 and the proposed enlargement. This service will be made 14 clear days before the hearing, and proved by affidavit at the hearing.

Yours very truly,

*J. S. Richards*  
J. S. Richards,  
Deputy Chairman.

JSR/cr

Encs.

c.c. to: Mr. E. M. Gaudet,  
Chevron Standard Limited,  
400 - 5th Ave., S.W., Calgary.

c.c. to: Mr. S. A. McCree,  
Chevron Standard Limited,  
400 - 5th Ave., S.W.,  
Calgary, Alta.

THE OIL AND NATURAL GAS CONSERVATION BOARD

BOX 42, LEGISLATIVE BUILDING  
WINNIPEG 1

NOTICE OF HEARING

A Public Hearing will be held in the Court Room, Town of Virden, Province of Manitoba, on Thursday, July 18, 1968, commencing at 9.00 A.M., Central Daylight Time, for the purpose of hearing representations with respect to -

1. An application by the Unit Operator for Unit Expansion, Virden-Roselea Unit No. 1, to include the following well locations:

In Township 10 - Range 25 WPM

Legal subdivision 9	Section 19
Legal subdivision 10	Section 20
Legal subdivisions 2 and 3	Section 28
Legal subdivision 10	Section 29

2. An application for Maximum Permissible Rate of Production for the Enlargement Tracts.
3. Amendment to Part XXVI, Section 26.07 (k)(iii) (a) of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1" as amended.
4. Such other changes or amendments to existing Board Orders as may be necessary to give effect to the foregoing.

Copies of material filed in support of the application are available at the office of Chevron Standard Limited, Virden, Manitoba, and 400 Fifth Avenue S.W., Calgary, Alberta.

Written submission in respect to the subjects of the hearing must be submitted to the Board at Room 901, Norquay Building, Winnipeg 1, Manitoba, on or before July 15, 1968.

Chairman.

DATED at Winnipeg, Manitoba,  
this 19th day of June, 1968.



# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

June 19, 1968

The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Attention: Mr. W. Winston Mair, Chairman

Gentlemen:

Chevron Standard Limited, as Unit Operator of Virden-Roselea Unit No. 1, under and pursuant to The Mines Act, Revised Statutes of Manitoba, 1954 and Amendments thereto, hereby, on behalf of the Working Interest Owners in Virden-Roselea Unit No. 1, and on behalf of the following:

Bralorne Petroleums Ltd.  
Chevron Standard Limited  
Prairie Oil Royalties Company, Ltd.

requests The Oil and Natural Gas Conservation Board to hold a hearing to consider and approve the following:

1. Proposal for Unit Enlargement of Virden-Roselea Unit No. 1, pursuant to Section 76 of The Mines Act.
2. Application for a Maximum Permissible Rate of Production for the Enlargement Tracts, pursuant to Section 59 of The Mines Act.
3. Amendment to Part XXVI, Section 26.07 (k) (iii) (a) of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1" as amended, pursuant to Part VI, Section 6.03 (j) of the above "Plan" and also Section 75 (3) of The Mines Act.
4. Such other changes or amendments to existing Board Orders as may be necessary to give effect to the foregoing.

In support of this Application we will endeavour to file with the Board Consents to this Application signed by at least seventy-five percent (75%)

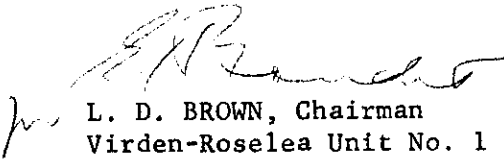
The Oil and Natural Gas Conservation Board

June 19, 1968

of the Working Interest Owners in Virden-Roselea Unit No. 1.

An early consideration of our request would be greatly appreciated.

Respectfully submitted,

  
L. D. BROWN, Chairman  
Virden-Roselea Unit No. 1  
Operating Committee

Encls.

cc: Mr. J.S. Richards (w/encls)  
Mr. M.J. Gobert (w/encls 2)

A. Proposal for Unit Enlargement of Virden-Roselea Unit No. 1

1. Tracts Proposed for Enlargement

It is proposed that the following tracts be included in Virden-Roselea Unit No. 1 by means of an enlargement:

LSD 9 - 19 - 10 - 25 WPM

LSD 10 - 20 - 10 - 25 WPM

LSD 2 - 28 - 10 - 25 WPM

LSD 3 - 28 - 10 - 25 WPM

LSD 10 - 29 - 10 - 25 WPM

The above tracts adjoin the present Virden-Roselea Unit No. 1 area and have wells situated thereon which are capable of production from a lateral extension of the formation that is unitized in Virden-Roselea Unit No. 1 (refer to Figure 1).

All five wells have been drilled and placed on production since February 1966. One tract, namely LSD 9-19-10-25, was a re-drilled location which had previously produced during the period 1957 - 61 through CEGO Basco Virden 9-19-10-25 which has since been abandoned. The wells in this proposed enlargement will contribute to the enlarged Unit, both in the form of additional reserves and by providing greater operational flexibility with a resultant increase in oil recovery.

2. Tract Participation

Part III of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1" discloses the method originally used for determining Tract Participation for each tract as one-half (1/2) of each of the following:

- (a) a current production factor
- (b) a penalized average monthly oil production factor.

For this enlargement it is proposed that participation factors of the enlargement tracts and the present 87-well Unit be calculated using a similar type of formula which would determine Tract Participation as one-half (1/2) of each of the following:

- (a) a current production factor
- (b) a penalized current production factor.

As in the original formula, the current production factor would be determined from a six-month production period. The method of calculating Tract Participation is presented on Table I.

Before selecting this method as a basis for calculating equity, other methods were examined by an engineering committee, and were found to be either inequitable or highly interpretative. Insofar as using the original method of determining Tract Participation, it was decided that the average monthly oil production factor did not provide a sound method of determining the future worth of the enlargement wells with respect to the 87-well Unit. Since some of the wells proposed for enlargement have had such a short production history, too much weight would have been given to the flush initial production which was evident in the performance of some wells.

It is hereby proposed that, with the exception of the tract on LSD 9-19-10-25, the six-month production period used to calculate the tract current oil production and the tract water cut be the

period of June 1, 1967 to November 30, 1967 inclusive. In the case of the tract on LSD 9-19-10-25, the six-month production period was chosen as the period from July 1, 1966 to December 31, 1966 inclusive. The production from each well during this six-month period is tabulated on Table II.

Using the above participation bases, the resultant Tract Participation factors for the enlargement tracts are as follows:

<u>Tract Number</u>	<u>Tract Participation</u>
9-19	.37341
10-20	1.05762
2-28	.70751
3-28	1.47929
10-29	.35634

The total participation of the five tracts in the enlarged Unit would be 3.97417 percent. It is proposed that upon admitting these tracts into the Virden-Roselea Unit No. 1, the Tract Participations of all tracts within the Unit area prior to enlargement remain the same one to the other, and that each such Tract Participation therefore be reduced by multiplying it by the factor  $1.0000000 - 0.0397417$  or  $0.9602583$ .

The present and proposed Tract Participation of each Working Interest Owner is presented on Table III.

At this stage of reservoir depletion, the formula recommended above provides a sound method of preserving current income



allocated to each tract as well as accounting for the future worth of the enlargement wells with respect to the 87-well Unit. Production histories for the five enlargement tracts and for the 87-well Unit are presented in Figures 2 and 3 respectively.

### 3. Production and Reserves

In addition to showing the production history for the five enlargement tracts, Figure 2 also shows the predicted ultimate production under water flood. Under primary depletion the tracts have produced at a combined rate of 120 BOPD. When all wells will have responded to the water flood, it is anticipated that this rate will again be reached. The wells are currently capable of an approximate rate of 50 BOPD cutting 52% water. Although none of the five wells is thought to be receiving support from the water injection at this time, response is believed to be imminent in wells directly offsetting Unit injectors.

By including these five tracts in the portion of the reservoir to be water flooded, the recoverable oil from the tracts will substantially exceed the estimated oil recovery under a primary depletion operation. The estimated oil recoverable under primary depletion is 172,000 STB, whereas the ultimate recovery under water flood is estimated to be 770,000 STB. Because of this anticipated increase in the ultimate recoverable reserves, the enlargement of the Unit will result in additional benefits for the Royalty Interest Owners and the Working Interest Owners of both the five enlargement tracts and the 87-well Unit.

4. Enlargement Tract Requirements

Upon the proposed enlargement tracts being admitted to the Unit, it is proposed that the Working Interest Owners of these tracts participate in the Investment Account established by Part X of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1", dated April 1, 1965, as of the effective date of this enlargement.

It is proposed that the Working Interest Owners of the enlargement tracts, make cash payment to the Unit Operator for their proportionate share of all expenditures other than operating expenditures incurred subsequent to the effective date of Virden-Roselea Unit No. 1, plus their proportionate share of all pre-Unit and inventory costs incurred and approved by the Virden-Roselea Unit No. 1 Working Interest Owners.

B. Application for a Maximum Permissible Rate of Production for Wells on the Enlargement Tracts

The applicants propose that the same production flexibility now permitted in the 87-well Virden-Roselea Unit No. 1 also should be provided for in the enlarged Unit. It is anticipated that the productive capacity of certain of the wells on the enlargement tracts will be significantly increased by being included in the water flood project. There is no reason to believe that reservoir damage would result from producing these increased capacity wells at unrestricted rates.

The applicants respectfully request that, on and after the effective date of the Unit enlargement, the wells on the tracts brought in by

the enlargement be excluded from any provisions governing the limitations and allocation of oil production.

C. Amendment to Part XXVI, Section 26.07 (k) (iii) (a) of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1"

The Unit Operator has reviewed the district and administrative overhead charges to the Unit under Part XXVI, Clause 26.07 (k) (iii) (a) of the "Plan" in view of the proposed addition of five wells to the 87-well Unit. The result of the review is a proposed increase of \$250 per month.

Approval to increase the charges, under the subject clause, from \$5,000 per month to a new total of \$5,250 per month, was obtained from Working Interest Owners having a Total Participation in the Unit of 100 percent. It is therefore recommended that the "Plan" be amended by replacing the wording in Part XXVI, Clause 26.07 (k) (iii) (a) with the following:

"\$5,250.00 per month for all producing operations."

Pursuant to Part VI, Clause 6.03 (j) of the "Plan" and Section 75 (3) of The Mines Act, the applicants hereby respectfully request the Board to consider and approve the proposed district and administrative overhead charges and the proposed amendment to the plan, in conjunction with the proposed Unit enlargement.

TABLE I

## VIRDEN-ROSELEA UNIT NO. 1

## CALCULATION OF TRACT PARTICIPATION - UNIT ENLARGEMENT NO. 2

TRACT	(1) TOTAL OIL PRODUCTION	(2) (1) AS A % OF TOTAL	(3) (2) X 0.5	(4) TOTAL WATER PRODUCTION	(5) TOTAL OIL AND WATER PRODUCTION	(6) WATER CUT	(7) 1.000000 - (6)	(8) (1) X (7)	(9) (8) AS A % OF TOTAL	(10) (9) X 0.5	(11) TRACT FACTOR (3) + (10)
87 Well Unit	268,233	96.616671	48.30834	416,391	684,624	.608204	.391796	105,093	95.434980	47.71749	96.02583
9A-19-10-25	1,070	.385411	.19270	1,808	2,878	.628214	.371786	398	.361424	.18071	0.37341
10-20-10-25	2,537	.913819	.45691	2,327	4,864	.478413	.521587	1,323	1.201417	.60071	1.05762
2-28-10-25	1,841	.663123	.33156	2,250	4,091	.549988	.450012	828	.751907	.37595	0.70751
3-28-10-25	3,111	1.120572	.56029	1,671	4,782	.349435	.650565	2,024	1.837995	.91900	1.47929
10-29-10-25	834	.300404	.15020	699	1,533	.455969	.544031	454	.412277	.20614	0.35634
Total Enlargement Tracts	9,393	3.383329	1.69166	8,755	18,148			5,027	4.565020	2.28251	3.97417
Total 92 Well Unit	277,626	100.000000	50.00000	425,146	702,772			110,120	100.000000	50.00000	100.00000

## NOTE:

1. Formula used to determine tract factors for new tracts and for 87 Well Unit is as follows:

$$\text{Tract Factor} = 0.5 \times \frac{\text{Tract Current Oil Production}}{\text{Unit Current Oil Production}} + 0.5 \times \frac{\text{Tract Current Oil Production (1 - Tract Water Cut)}}{\text{Unit Current Oil Production (1 - Unit Water Cut)}}$$

2. Current Oil Production is determined from a six month production period.

3. Upon enlargement, tract factors in present 87 Well Unit will be reduced by .9602583.

VIRDEN-ROSELEA UNIT NO. 1

**OIL AND WATER PRODUCTION USED FOR DETERMINING TRACT PARTICIPATION - ENLARGEMENT NO. 2**

	PRODUCTION PERIOD	PRODUCTION BY MONTH						TOTAL PERIOD PRODUCTION
		1	2	3	4	5	6	
<b>Oil Production</b>								
87 Well Unit	June - Nov./67	45,603	46,184	45,119	45,153	42,044	44,130	268,233
9A-19-10-25	July - Dec./66	186	186	163	160	220	155	1,070
10-20-10-25	June - Nov./67	467	321	501	403	440	405	2,537
2-28-10-25	June - Nov./67	340	336	282	292	304	287	1,841
3-28-10-25	June - Nov./67	478	558	626	367	577	505	3,111
10-29-10-25	June - Nov./67	124	145	163	116	155	131	834
Total Enlargement Tracts		1,595	1,546	1,735	1,338	1,696	1,483	9,393
Total 92 Well Unit		47,198	47,730	46,854	46,491	43,740	45,613	277,626
<b>Water Production</b>								
87 Well Unit	June - Nov./67	71,736	72,796	76,686	68,895	59,390	66,888	416,391
9A-19-10-25	July - Dec./66	320	300	360	330	343	155	1,808
10-20-10-25	June - Nov./67	270	491	400	347	438	381	2,327
2-28-10-25	June - Nov./67	108	379	599	209	462	493	2,250
3-28-10-25	June - Nov./67	253	319	266	366	233	234	1,671
10-29-10-25	June - Nov./67	101	126	106	177	96	93	699
Total Enlargement Tracts		1,052	1,615	1,731	1,429	1,572	1,356	8,755
Total 92 Well Unit		72,788	74,411	78,417	70,324	60,962	68,244	425,146

TABLE III

## VIRDEN-ROSELEA UNIT NO. 1

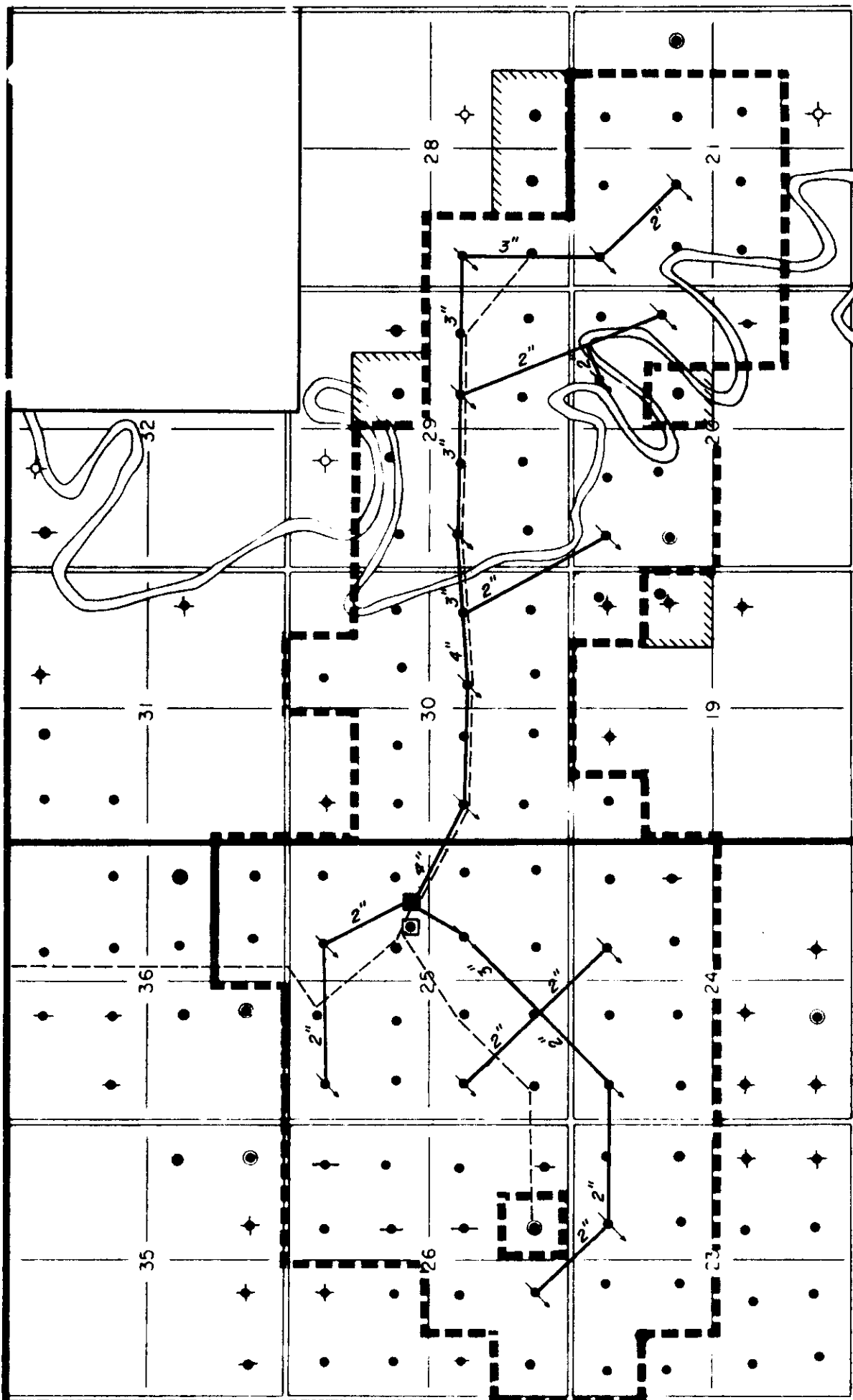
## PRESENT AND PROPOSED TRACT PARTICIPATION BY WORKING INTEREST OWNER

## UNIT ENLARGEMENT NO. 2

WORKING INTEREST OWNER	PRESENT PARTICIPATION	PROPOSED PARTICIPATION	
		87 WELL UNIT	92 WELL UNIT
Bralorne Petroleum Ltd.	0.78521	0.75400	0.18670
Canadian Export Gas & Oil Ltd.	20.02475	19.22893	-
Prairie Oil Royalties Company, Ltd.	0.78520	0.75399	0.18671
Chevron Standard Limited	62.81430	60.31795	3.60076
C. M. Frazier	0.73510	0.70589	-
Frontenac Petroleum Co. Ltd.	2.92355	2.80736	-
K & N Oil Development Co. Ltd.	0.30553	0.29339	-
Northwest Exploration Company Limited	0.09596	0.09215	-
Rundle and Jennings	2.24963	2.16023	-
Shannon Oils Ltd.	0.06455	0.06198	-
Sun Oil Company	3.47277	3.33476	-
Teck Corporation Limited	5.74345	5.51520	-
	100.00000	96.02583	3.97417
			100.00000

R.25WPM

R.26



Scale 1" = 1/2 mile

FIGURE 1  
VIRIDEN ROSELEA UNIT No. 1

UNIT BOUNDARY EFFECTIVE JUNE 1, 1967

INJECTION WELL

S.W.D. WELL

INJECTION PLANT

DEVONIAN WATER SUPPLY WELL

PROPOSED ENLARGEMENT  
OF UNIT BOUNDARY

2" INJECTION LINE, SIZE

----- WATER GATHERING SYSTEM

FIGURE 2

PRODUCTION HISTORY FOR THE 87 WELLS IN VIRDEN - ROSELEA UNIT No. 1

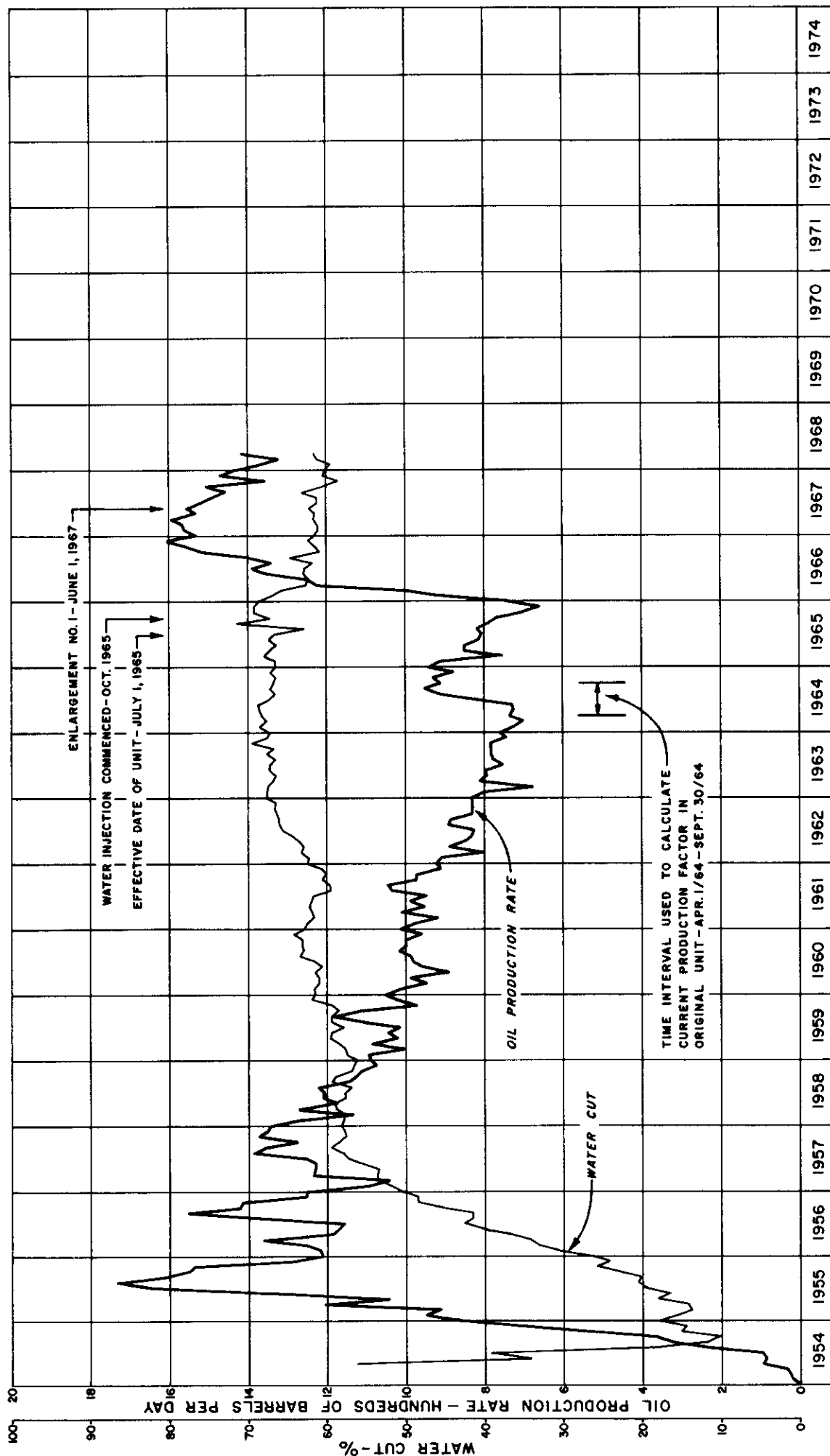




FIGURE 3

# VIRDEN - ROSELEA UNIT No.1

PRODUCTION HISTORY AND FORECAST FOR FIVE TRACTS  
WHICH ARE PROPOSED FOR INCLUSION INTO UNIT

(TRACTS ARE 9-19, 10-20, 2-28, 3-28 AND 10-29)

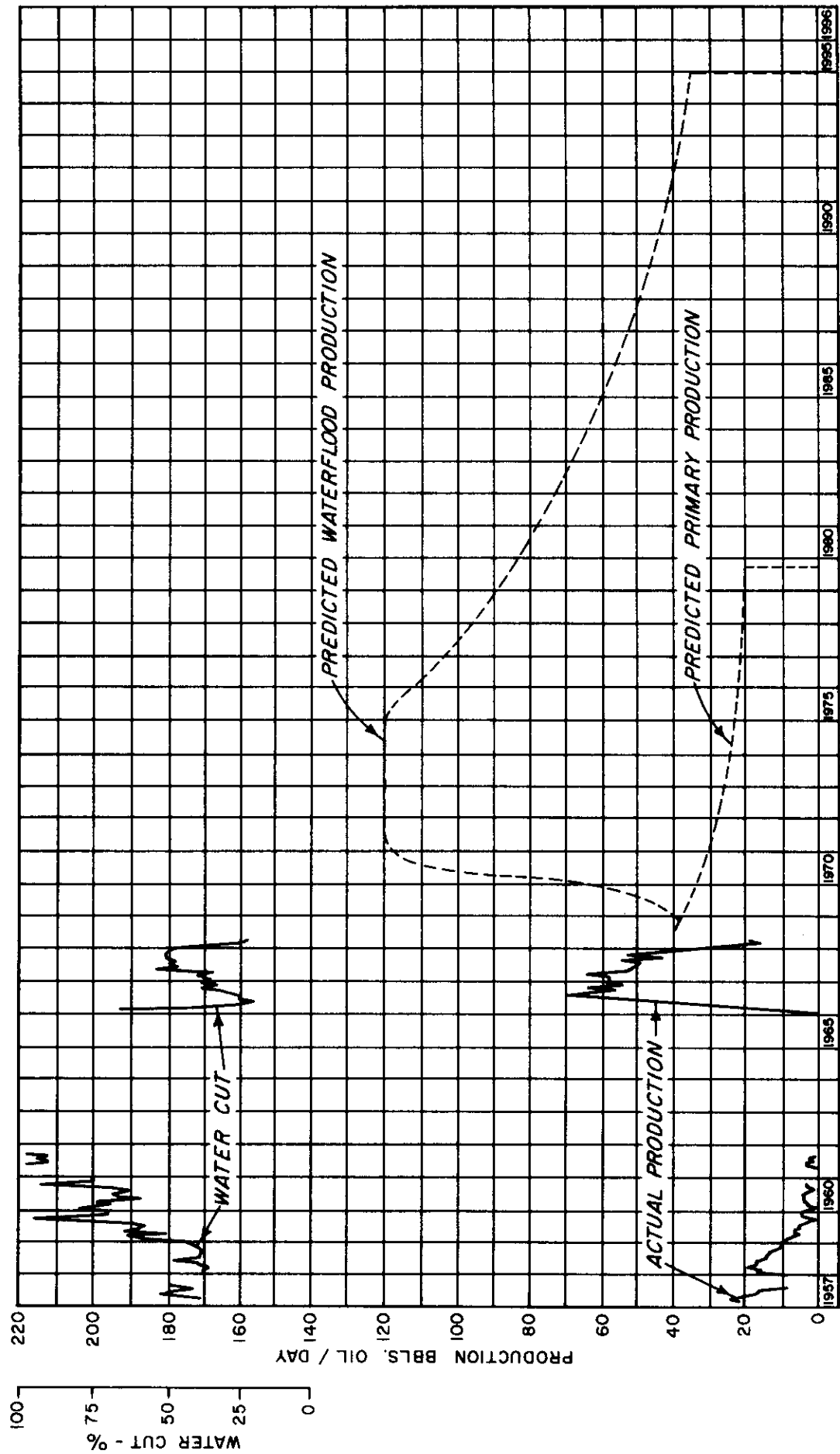


TABLE III

## VIRDEN-ROSELEA UNIT NO. 1

## PRESENT AND PROPOSED TRACT PARTICIPATION BY WORKING INTEREST OWNER

## UNIT ENLARGEMENT NO. 2

WORKING INTEREST OWNER	PRESENT PARTICIPATION	PROPOSED PARTICIPATION	
		87 WELL UNIT	92 WELL UNIT
Bralorne Petroleum Ltd.	0.78521	0.75400	0.18670
Canadian Export Gas & Oil Ltd.	20.02475	19.22893	-
Prairie Oil Royalties Company, Ltd.	0.78520	0.75399	0.18671
Chevron Standard Limited	62.81430	60.31795	3.60076
C. M. Frazier	0.73510	0.70589	-
Frontenac Petroleum Co. Ltd.	2.92355	2.80736	-
K & N Oil Development Co. Ltd.	0.30553	0.29339	-
Northwest Exploration Company Limited	0.09596	0.09215	-
Rundle and Jennings	2.24963	2.16023	-
Shannon Oils Ltd.	0.06455	0.06198	-
Sun Oil Company	3.47277	3.33476	-
Teck Corporation Limited	5.74345	5.51520	-
	100.00000	96.02583	3.97417
			100.00000

June 14, 1968

F. S. Gamey

M. J. Gobert  
Assistant Deputy Minister

Last paragraph Gaudet letter - June 7

The procedure for last enlargement of the Virden-Roselea Unit #1 (Hearing - March 10, 1967) was as follows -

1. The "Board" prepared a notice of hearing in December 20, 1966, setting the date for the hearing as March 10, 1967.
2. A copy of this notice was sent to McCrae (Chevron Standard), immediately.
3. McCrae sent copies of the "Notice of Hearing" with the "consent forms" to all working interest owners.
4. At the hearing on March 10, 1967, McCrae filed affidavit that he had mailed, by registered letter, copies of all documents as shown on Exhibit "A" and "B" to parties listed in Schedule "C". Exhibit "A" was a copy of the Notice of Hearing.

Also: Gaudet filed an affidavit that he had mailed documents (Notice of Hearing and copy of Chevron application) to all royalty owners in Virden-Roselea Unit #1 and in the proposed enlargement.

5. It was the opinion of Mr. McCrae (in evidence) that the filing of those two affidavits "show the client the requirement of the Board as to the mailing of the notice to the royalty owners and the working interest owners affected".

It would appear that the setting of the date for the next hearing would depend on the time required for Chevron to obtain 75% of the consents of the working interest owners and the "new" royalty owners. Under Sec. 20.06 of Plan, written approval of 75% of working interest owners is required for any amendment to Plan within 3 years of effective date (July 1, 1965). *June 11, 1967*

The Board could advertise the hearing in the Gazette and newspapers (including the Souris Plaindealer), which should take care of "any other interested party".

Photostat of Exhibits filed March 10, 1967, are attached.

# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

June 13, 1968

**Proposed Unit Enlargement  
Virden-Rosalia Unit No. 1**

McDaniel Consultants (1965) Ltd.  
640 - 8th Avenue S.W.  
Calgary, Alberta

Dear Sirs:

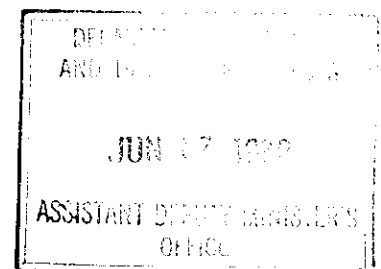
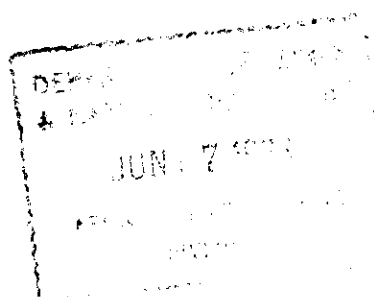
As requested by Mr. M. J. Gobert of the Manitoba Oil and Natural Gas Conservation Board, we are forwarding a copy of the letter addressed to Mr. W. Winston Mair dated June 7, 1968 regarding the Proposed Unit Enlargement of Virden-Rosalia Unit No. 1. Also enclosed is a copy of all attachments mentioned in the subject letter.

Yours very truly,

*J. G. Trowell*  
-for- J. G. TROWELL  
Division Superintendent  
Producing Department  
Calgary Division

JDG/cb  
Encl.

c.c. Mr. W. Winston Mair  
Mr. J. S. Richards  
Mr. M. J. Gobert



June 12, 1968

Mr. A.H. Gaudet,  
Chairman,  
Virden-Roselea Unit No. 1,  
Legal Committee,  
Chevron Standard Limited  
400 Fifth Avenue, S.W.,  
Calgary, Alberta.

Re: Virden-Roselea Unit No. 1  
Proposed Unit Enlargement

Dear Mr. Gaudet:

We will be pleased to discuss the points raised in your letter of June 7, 1968 addressed to Mr. W. Winston Mair when we meet on June 18, 1968.

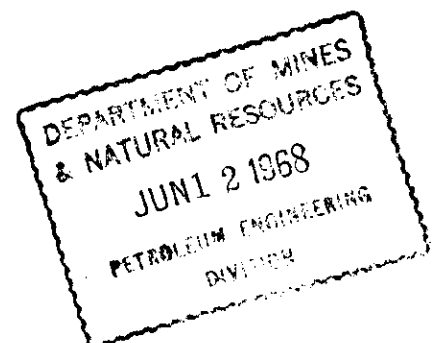
Yours very truly,



M.J. Gobert  
Assistant Deputy Minister

MJC/js

c.c. Mr. W. Winston Mair  
Mr. L.D. Brown,  
Area Supervisor,  
Chevron Standard Limited,  
Box 100, Virden,  
Manitoba.  
s.c. Mr. J.S. Richards  
Mr. F.S. Gamey



Mr.F.S.Gamey

June 12, 1968

Mr.M.J.Gobert  
Assistant Deputy Minister  
The Oil and Natural Gas Conservation Board  
Virden-Roslea Unit No.1 - Proposed Enlargement

Mr.W.Winston Mair  
Deputy Minister

A review of the application is being made  
by Mr. Gamey and Mr. Hage. Arrangements have  
been made for R.R.McDaniel to comment.

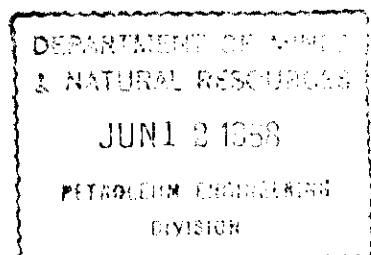
We can resolve most of the points raised  
in their June 7th letter at our meeting June 18th.



M.J.Gobert

MJG/js

c.c. Mr.F.S.Gamey



# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

June 7, 1968

DEPARTMENT OF MINES  
& NATURAL RESOURCES

JUN 10 1968

DATE 11 JUNE 1968

## Proposed Unit Enlargement Virden-Roselea Unit No. 1

Mr. W. Winston Mair, Chairman,  
The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Dear Sir:

I enclose herewith the following:

1. A draft Application for:

- (a) Unit Enlargement, Virden-Roselea Unit No. 1, pursuant to Section 76 of The Mines Act.
- (b) A Maximum Permissible Rate of Production for the Enlargement Tracts pursuant to Section 59 of The Mines Act.
- (c) An Amendment to Part XXVI, Section 26.07 (k) (iii) (a) of the "Plan for Unit Operation" as amended, pursuant to Part VI, Section 6.03 (j) of the Plan and Section 75 (3) of The Mines Act.
- (d) Such other amendments to Board Orders as may be necessary.

2. A draft Form of Working Interest Owner Consent suggested for use by Working Interest Owners in the existing Unit Area.
3. A draft Form of Working Interest Owner Consent suggested for use by Working Interest Owners in the Enlargement Area.
4. A draft Form of Royalty Owner Consent suggested for use by the Royalty Owners in the Enlargement Area.
5. A list of the Enlargement Tracts and their Working Interest Owners and Royalty Owners.

Mr. W. Winston Mair, Chairman,  
The Oil and Natural Gas Conservation Board

June 7, 1968

6. A copy of the minutes of the Unit Engineering Committee meeting of March 5, 1968.
7. A copy of the minutes of the Operating Committee meeting of May 21, 1968.

You will recall that when the Unit was enlarged previously the Board required Consents from Working Interest Owners owning seventy-five percent (75%) of the Working Interest in the Unit Area and also required Consents from Royalty Owners of seventy-five percent (75%) of the Royalty Interest in the Enlargement Area only. The present Enlargement Area covers five (5) Tracts with three (3) Working Interest Owners and nine (9) Royalty Owners and since there is a possibility that some Consents may not be obtainable we would suggest that the same procedure be followed in this enlargement as in the previous enlargement.

As a result of the enlargement, as in the past, Parts XXI, XXII, XXIII and XXIV of the "Plan" and also Section 1.02 (d) of Part I (Effective Date) and Part III (Tract Participation) of the "Plan" would require amendment by Order-in-Council. We would think however that, as in the past, these amendments could be dealt with at the Hearing and we would undertake to arrange for preparation of a formal Amendment for your consideration when requested.

The writer will be in Winnipeg on June 18, 1968 and would like to join in a meeting which, I understand, has been arranged with the Board by our Mr. L. D. Brown and Mr. M. J. Gobert of the Board. If possible we could discuss the enclosures, a possible Hearing date and any other comments or requirements you might have at that time.

We would like the Hearing to be held at one sitting if possible and therefore if you have any questions or suggestions we would be pleased to discuss any matter at our meeting. In addition we might suggest that you consider the length of notice required to be given to any other interested party and that the Hearing date be set far enough in advance to give us sufficient opportunity to give such notice.

I wish to thank you in advance for your kind cooperation in this matter.

Yours very truly,

*E. H. GAUDET*  
E. H. GAUDET

E. H. GAUDET, Chairman,  
Virden-Roselva Unit No. 1  
Legal Committee.

ENS/ps  
Encl.

cc: Mr. J. S. Richards (w/encl.)  
Mr. M. J. Gobert (w/encl.)





# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA .

D R A F T:

The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Attention: Mr. W. Winston Mair, Chairman

Dear Sir:

Chevron Standard Limited, as Unit Operator of Virden-Roselea Unit No. 1, under and pursuant to The Mines Act, Revised Statutes of Manitoba, 1954 and Amendments thereto, hereby, on behalf of the Working Interest Owners in Virden-Roselea Unit No. 1, and on behalf of the following:

Bralorne Petroleums Ltd.

Chevron Standard Limited

requests The Oil and Natural Gas Conservation Board to hold a hearing to consider and approve the following:

1. Proposal for Unit Enlargement of Virden-Roselea Unit No. 1, pursuant to Section 76 of The Mines Act.
2. Application for a Maximum Permissible Rate of Production for the Enlargement Tracts, pursuant to Section 59 of The Mines Act.
3. Amendment to Part XXVI, Clause 26.07 (k) (iii) (a) of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1" as amended, pursuant to Part VI, Clause 6.03 (j) of the above "Plan" and also Section 75 (3) of The Mines Act.

The Oil and Natural Gas Conservation Board

4. Such other changes or amendments to existing Board Orders as may be necessary to give effect to the foregoing.

In support of this Application we will endeavour to file with the Board such Working Interest Owner and Royalty Owner Consents as may be required by the Board.

An early consideration of our request would be greatly appreciated.

Respectfully submitted,

L. D. BROWN, Chairman  
Virden-Roselea Unit No. 1  
Operating Committee

Attachs.

A. Proposal for Unit Enlargement of Virden-Roselea Unit No. 1

1. Tracts Proposed for Enlargement

It is proposed that the following tracts be included in Virden-Roselea Unit No. 1 by means of an enlargement:

LSD 9 - 19 - 10 - 25 WPM

LSD 10 - 20 - 10 - 25 WPM

LSD 2 - 28 - 10 - 25 WPM

LSD 3 - 28 - 10 - 25 WPM

LSD 10 - 29 - 10 - 25 WPM

The above tracts adjoin the present Virden-Roselea Unit No. 1 area and have wells situated thereon which are capable of production from a lateral extension of the formation that is unitized in Virden-Roselea Unit No. 1 (refer to Figure 1).

All five wells have been drilled and placed on production since February 1966. One tract, namely LSD 9-19-10-25, was a re-drilled location which had previously produced during the period 1957 - 61 through CECO Basco Virden 9-19-10-25 which has since been abandoned. The wells in this proposed enlargement will contribute to the enlarged Unit, both in the form of additional reserves and by providing greater operational flexibility with a resultant increase in oil recovery.

2. Tract Participation

Part III of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1" discloses the method originally used for determining Tract Participation for each tract as one-half (1/2) of each of the following:

- (a) a current production factor
- (b) a penalized average monthly oil production factor.

For this enlargement it is proposed that participation factors of the enlargement tracts and the present 87-well Unit be calculated using a similar type of formula which would determine Tract Participation as one-half ( $1/2$ ) of each of the following:

- (a) a current production factor
- (b) a penalized current production factor.

As in the original formula, the current production factor would be determined from a six-month production period. The method of calculating Tract Participation is presented on Table I.

Before selecting this method as a basis for calculating equity, other methods were examined by an engineering committee, and were found to be either inequitable or highly interpretative. Insofar as using the original method of determining Tract Participation, it was decided that the average monthly oil production factor did not provide a sound method of determining the future worth of the enlargement wells with respect to the 87-well Unit. Since some of the wells proposed for enlargement have had such a short production history, too much weight would have been given to the flush initial production which was evident in the performance of some wells.

It is hereby proposed that, with the exception of the tract on LSD 9-19-10-25, the six-month production period used to calculate the tract current oil production and the tract water cut be the

period of June 1, 1967 to November 30, 1967 inclusive. In the case of the tract on LSD 9-19-10-25, the six-month production period was chosen as the period from July 1, 1966 to December 31, 1966 inclusive. The production from each well during this six-month period is tabulated on Table II.

Using the above participation bases, the resultant Tract Participation factors for the enlargement tracts are as follows:

<u>Tract Number</u>	<u>Tract Participation</u>
9-19	.37341
10-20	1.05762
2-28	.70751
3-28	1.47929
10-29	.35634

The total participation of the five tracts in the enlarged Unit would be 3.97417 percent. It is proposed that upon admitting these tracts into the Virden-Roselea Unit No. 1, the Tract Participations of all tracts within the Unit area prior to enlargement remain the same one to the other, and that each such Tract Participation therefore be reduced by multiplying it by the factor  $1.0000000 - 0.0397417$  or  $0.9602583$ .

The present and proposed Tract Participation of each Working Interest Owner is presented on Table III.

At this stage of reservoir depletion, the formula recommended above provides a sound method of preserving current income

allocated to each tract as well as accounting for the future worth of the enlargement wells with respect to the 87-well Unit. Production histories for the five enlargement tracts and for the 87-well Unit are presented in Figures 2 and 3 respectively.

### 3. Production and Reserves

In addition to showing the production history for the five enlargement tracts, Figure 2 also shows the predicted ultimate production under water flood. Under primary depletion the tracts have produced at a combined rate of 120 BOPD. When all wells will have responded to the water flood, it is anticipated that this rate will again be reached. The wells are currently capable of an approximate rate of 50 BOPD cutting 52% water. Although none of the five wells is thought to be receiving support from the water injection at this time, response is believed to be imminent in wells directly offsetting Unit injectors.

By including these five tracts in the portion of the reservoir to be water flooded, the recoverable oil from the tracts will substantially exceed the estimated oil recovery under a primary depletion operation. The estimated oil recoverable under primary depletion is 172,000 STB, whereas the ultimate recovery under water flood is estimated to be 770,000 STB. Because of this anticipated increase in the ultimate recoverable reserves, the enlargement of the Unit will result in additional benefits for the Royalty Interest Owners and the Working Interest Owners of both the five enlargement tracts and the 87-well Unit.

4. Enlargement Tract Requirements

Upon the proposed enlargement tracts being admitted to the Unit, it is proposed that the Working Interest Owners of these tracts participate in the Investment Account established by Part X of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1," dated April 1, 1965, as of the effective date of this enlargement.

It is proposed that the Working Interest Owners of the enlargement tracts, make cash payment to the Unit Operator for their proportionate share of all expenditures other than operating expenditures incurred subsequent to the effective date of Virden-Roselea Unit No. 1, plus their proportionate share of all pre-Unit and inventory costs incurred and approved by the Virden-Roselea Unit No. 1 Working Interest Owners.

B. Application for a Maximum Permissible Rate of Production for Wells on the Enlargement Tracts

The applicants propose that the same production flexibility now permitted in the 87-well Virden-Roselea Unit No. 1 also should be provided for in the enlarged Unit. It is anticipated that the productive capacity of certain of the wells on the enlargement tracts will be significantly increased by being included in the water flood project. There is no reason to believe that reservoir damage would result from producing these increased capacity wells at unrestricted rates.

The applicants respectfully request that, on and after the effective date of the Unit enlargement, the wells on the tracts brought in by

the enlargement be excluded from any provisions governing the limitations and allocation of oil production.

C. Amendment to Part XXVI, Section 26.07 (k) (iii) (a) of the "Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Virden-Roselea Unit No. 1"

The Unit Operator has reviewed the district and administrative overhead charges to the Unit under Part XXVI, Clause 26.07 (k) (iii) (a) of the "Plan" in view of the proposed addition of five wells to the 87-well Unit. The result of the review is a proposed increase of \$250 per month.

Approval to increase the charges, under the subject clause, from \$5,000 per month to a new total of \$5,250 per month, was obtained from Working Interest Owners having a Total Participation in the Unit of 100 percent. It is therefore recommended that the "Plan" be amended by replacing the wording in Part XXVI, Clause 26.07 (k) (iii) (a) with the following:

"\$5,250.00 per month for all producing operations."

Pursuant to Part VI, Clause 6.03 (j) of the "Plan" and Section 75 (3) of The Mines Act, the applicants hereby respectfully request the Board to consider and approve the proposed district and administrative overhead charges and the proposed amendment to the plan, in conjunction with the proposed Unit enlargement.





# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

June 5, 1968

TO: ALL WORKING INTEREST OWNERS  
VIRDEN-ROSELEA UNIT NO. 1

Gentlemen:

Enclosed herewith please find the required number of copies of the  
Minutes of the Virden-Roselea Unit No. 1 Operating Committee meeting  
held May 21, 1968.

Yours very truly,

*L. D. Brown*  
for L. D. BROWN, Chairman  
Virden-Roselea Unit No. 1  
Operating Committee

JDG/cb  
Encl.

<u>TRACT NO.</u>	<u>WORKING INTEREST OWNER</u>	<u>DESCRIPTION</u>	<u>ROYALTY OWNER</u>
9-19	Bralorne Oil & Gas Limited Prairie Oil Royalties Company Limited	Lsd. 9-19-10-25 W1	J. M. Sprout G. M. Sprout Canada Permanent Trust Company J. W. Clark
10-20	Chevron Standard Limited	Lsd.10-20-10-25 W1	Joseph L. Langois David R. Langois North Canadian Trust Company Crown
2-28	Chevron Standard Limited	Lsd. 2-28-10-25 W1	National Trust Company Limited
3-28	Chevron Standard Limited	Lsd. 3-28-10-25 W1	Crown
10-29	Chevron Standard Limited	Lsd.10-29-10-25 W1	Crown

D R A F T:

The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Gentlemen:

\_\_\_\_\_, being the owner of \_\_\_\_\_ %  
of the Royalty Interest in \_\_\_\_\_

\_\_\_\_\_

hereby agree to the addition to the Virden-Roselea Unit No. 1 Unit Area of  
the lands described herein with the following Tract Numbers and Tract Part-  
icipations:

<u>Land Description</u>	<u>Tract Number</u>	<u>Tract Participation</u>
-------------------------	---------------------	----------------------------

and consent and agree to the Board making an Order pursuant to Section 76  
of The Mines Act, Revised Statutes of Manitoba 1954 and Amendments thereto,  
to add these lands to the Unit Area as aforesaid, subject to the terms and  
conditions set forth in the Plan of Unit Operation entitled "PLAN FOR UNIT  
OPERATION GOVERNING THE UNITIZED MANAGEMENT OPERATION AND FURTHER DEVELOP-  
MENT OF VIRDEN-ROSELEA UNIT NO. 1", identified by date of April 1, 1965 and  
Amendment thereto as identified by date of June 1, 1967, as such Plan may be  
amended by Order of The Oil and Natural Gas Conservation Board of the Pro-  
vince of Manitoba pursuant to the Application of Chevron Standard Limited to  
The Oil and Natural Gas Conservation Board for inter alia, enlargement of  
the Unit Area, dated \_\_\_\_\_.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 1968.

\_\_\_\_\_  
Witness

D R A F T:

The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Gentlemen:

\*\* \_\_\_\_\_, being owner of a Working Interest  
in \_\_\_\_\_

hereby consent and agree to the Board approving the application submitted by  
Chevron Standard Limited for:

- (a) Proposal for Unit Enlargement and Expansion of Water Injection  
System - Virden-Roselea Unit No. 1, pursuant to Section 76 of  
The Mines Act.
- (b) Application for a Maximum Permissible Rate of Production for  
the Enlargement Tracts, pursuant to Section 59 of The Mines Act.
- (c) Amendment to Part XXVI, Section 26.07 (k) (iii) (a) of the "Plan  
for Unit Operation Governing the Unitized Management Operation  
and Further Development of Virden-Roselea Unit No. 1" as amended,  
pursuant to Part VI, Section 6.03 (j) of the above "Plan" and also  
Section 75 (3) of The Mines Act.
- (d) Such other changes or amendments to existing Board Orders as may  
be necessary to give effect to the foregoing.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 1968.

Per: \_\_\_\_\_

\*\*Please insert corporate name. Per: \_\_\_\_\_

D R A F T:

The Oil and Natural Gas Conservation Board,  
Department of Mines and Natural Resources,  
Province of Manitoba,  
Winnipeg 1, Manitoba.

Gentlemen:

\*\* \_\_\_\_\_, being owner of a Working  
Interest in the Virden-Roselea Unit No. 1, hereby consent and agree to  
the Board approving the application submitted by Chevron Standard Limited  
for:

- (a) Proposal for Unit Enlargement and Expansion of Water Injection  
System - Virden-Roselea Unit No. 1, pursuant to Section 76 of  
The Mines Act.
- (b) Application for a Maximum Permissible Rate of Production for  
the Enlargement Tracts, pursuant to Section 59 of The Mines Act.
- (c) Amendment to Part XXVI, Section 26.07 (k) (iii) (a) of the "Plan  
for Unit Operation Governing the Unitized Management Operation  
and Further Development of Virden-Roselea Unit No. 1" as amended,  
pursuant to Part VI, Section 6.03 (j) of the above "Plan" and also  
Section 75 (3) of The Mines Act.
- (d) Such other changes or amendments to existing Board Orders as may  
be necessary to give effect to the foregoing.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 1968.

Per: \_\_\_\_\_

\*\* Please insert corporate name. Per: \_\_\_\_\_

# CHEVRON STANDARD LIMITED

400 FIFTH AVENUE S.W., CALGARY, ALBERTA

May 10, 1968

## Notice of Meeting

TO: ALL WORKING INTEREST OWNERS  
VIRDEN-ROSELEA UNIT NO. 1

A meeting of the Operating Committee for Virden-Roselea Unit No. 1 will be held in the Ninth Floor Conference Room (Room No. 971) of the Chevron Standard Building, Calgary, Alberta on Tuesday, May 21, 1968 at 9:30 A.M., M.S.T. The agenda for the meeting is as follows:

1. Approve the minutes of the November 9, 1967 Operating Committee meeting.
2. Record the results of Mail Ballots submitted to the Working Interest Owners since the last meeting.
3. Discuss and act on the following Engineering Committee recommendations:
  - (a) that the Unit be enlarged to include the following tracts having the following Tract Participations:

<u>Tract Number</u>	<u>Land Description</u>	<u>Tract Participation</u>
9-19	LSD 9-19-10-25	0.37341
10-20	LSD 10-20-10-25	1.05762
2-28	LSD 2-28-10-25	0.70751
3-28	LSD 3-28-10-25	1.47929
10-29	LSD 10-29-10-25	0.35634

- (b) that all Tract Participation factors in the present 87-well Unit be reduced by a factor of 0.9602583 to accommodate the enlargement tracts.

A copy of the minutes of Engineering Committee Meetings held March 5, March 12 and April 3, 1968 is attached. Calculations which show the derivation of the above figures are shown on Tables I and II.

4. Discuss and resolve the requirements under which the tracts are to be brought into the Unit by enlargement. It is recommended by the Unit Operator that:
  - (a) each Operator of an enlargement tract be responsible for hooking their wells into existing Unit facilities,
  - (b) each enlargement tract will be required to pay their proportionate share of all expenditures, other than operating expenditures, incurred subsequent to the effective date of the Unit, plus their share of all pre-Unit and inventory costs.
5. Establish and direct a Legal and Titles Committee to prepare necessary documentation for enlargement and to examine title documentation of the enlargement tracts.
6. Discuss and act on a recommendation by the Operator to increase, on the effective date of the enlargement, the district and administrative overhead charges to the Unit under Part XXVI, Clause 26.07 (k) (iii) (a) of the "Plan" from \$5,000 to \$5,250 per month.
7. Discuss and approve in principle a submission to the Oil and Natural Gas Conservation Board for enlargement of Virden-Roselea Unit No. 1, a draft copy of which is attached, and to direct Unit Operator to proceed with an enlargement application to the Oil and Natural Gas Conservation Board.
8. Other business.

*for* *L. D. Brown*  
L. D. BROWN, Chairman  
Virden-Roselea Unit No. 1  
Operating Committee

JDG/ceb  
Attach.