

Province of Manitoba

## inter-departmental memo

To:

Mr. H. C. Moster,  
 Director of Petroleum Branch,  
 Mineral Resources Division,  
 993 Century Street.

Date December 2nd, 1975.

From J. S. Roper,  
 Policy Advisor.

Subject: Draft Unit Agreement - Proposed Waskada Unit No. 1 - Omega Hydrocarbons Ltd.

Due to the pressure of other responsibilities, Mr. Cawley has requested that I respond to your memo of November 20th, 1975 on the above subject.

Re: Your Recommendations

1. Concur with your proposed addition to clause 302.
2. Concur with your proposed addition of clause 503.
  - (i) Question: In the event of acceptance of clause 503, it is assumed that the Board would have to approve any change in the Unit Operating Agreement. Is this correct? (see comment (b) under General)
3. Suggest rewording clause 802 to allow only for re-injection for enhanced recovery purposes.
4. Concur with changing clauses 901 and 1501 to read "<sup>wo</sup>~~te~~" instead of "one".
5. Suggest rewording clause 1401 - "The unitization provided herein shall become effective at 0800 hours, official time on the first day of                      A.D. 197 ".  
Such date being set by the Board.
6. Concur with your proposed clause 1312.
7. "Tract Participation" factors should be included together with the calculations thereof.
8. Concur with your recommendation re "Exhibit B"

General

- (a) In view of the inclusion of the four Copperhead wells to the south in the D. & S. Petroleum Consultants Ltd. report and in the interests of conservation, efficient and economical development and production, it is suggested

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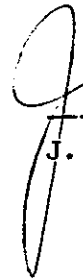
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that the applicant, other parties that may be involved, or the Petroleum Branch, should demonstrate to the Board why the Waskada Field should not be unitized at this time, rather than to proceed with partial unitization of the field.

- (b) In view of the apparent lack of interest in unitization by Copperhead, it is recommended that this application be the subject of a public hearing of the Board so that all Persons have the opportunity of presenting evidence; also that the Board may deliberate the matter of partial or total unitization of the Waskada Field.
- (c) Mr. Redgwell's comments in the second and third paragraphs of his memo to you dated November 19th, 1975, are significant and it is suggested that the Petroleum Branch should place itself in a position to make recommendations to the Board on both subjects.

JSR/eh

c.c. - Jas. T. Cawley, P. Eng.,  
- Dr. I. Haugh, ✓  
- Mr. J. Redgwell.

  
-----  
J. S. Roper

. UNIT AGREEMENT

WASKADA UNIT No. 1

MANITOBA, CANADA

**CERTIFIED CORRECT**


UNIT AGREEMENT

WASKADA UNIT No. 1

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Revision, April 27, 1976

  
T. Jack Hall, President  
Omega Hydrocarbons Ltd.

UNIT AGREEMENT

WASKADA UNIT No. 1

WHEREAS the Parties own Royalty Interests and Working Interests, or either of them in the Unitized Zone;

AND WHEREAS the Parties desire that the Unitized Zone be developed, produced and operated as a unit, all as hereinafter provided.

NOW, THEREFORE, in consideration of the covenants herein contained, the Parties agree as follows:

ARTICLE I

DEFINITIONS

101.       Definitions

In this agreement:

- (a)       "Conservation Board" means the Oil and Natural Gas Conservation Board;
- (b)       "Effective Date" means the time and date referred to in Article XIV;
- (c)       "Lease" means an instrument granting a Working Interest in the Unitized Zone;
- (d)       "Outside Substances" means any substances initially obtained from any source other than the Unitized Zone or any Unitized Substances with respect to which royalty has been paid;
- (e)       "Party" means a person who is bound by this agreement;
- (f)       "Petroleum Substances" means petroleum, natural gas and other hydrocarbons (except coal) or any of them and all substances associated therewith;

- (g) "Royalty Interest" means any interest other than a Working Interest in Petroleum Substances, or the proceeds from the sale thereof, produced from the Unitized Zone but does not include the interest of a person as a purchaser of Petroleum Substances after production;
- (h) "Royalty Owner" means a Party owning a Royalty Interest;
- (i) "Spacing Unit" means the area allocated to a well by any government body having jurisdiction with respect thereto for each well drilled for the purpose of producing Petroleum Substances from the Unitized Zone;
- (j) "Tract" means a parcel of land described and given a Tract number in Exhibit "A";
- (k) "Tract Participation" means the effective percentage allotted to a Tract pursuant to Article VI and set forth in Exhibit "A";
- (l) "Unit Area" means the lands described in Exhibit "A" and shown outlined on Exhibit "B";
- (m) "Unit Operator" means Omega Hydrocarbons Ltd., or any Party designated from time to time by the Working Interest Owners pursuant to any applicable Unit Operating Agreement;
- (n) "Unit Operating Agreement" means any agreement hereafter entered into by all of the Working Interest Owners in respect to the operation and development of the Waskada Unit No. 1;
- (o) "Unitized Zone" means the Mission Canyon Formation (Alida Beds) of the Mississippian Age within the Unit Area;
- (p) "Unitized Substances" means Petroleum Substances in or obtained from the Unitized Zone;

- (q) "Working Interest" means any right to produce and dispose of Petroleum Substances from the Unitized Zone, including an interest chargeable with any costs of drilling for, recovery of and disposal of Petroleum Substances therefrom;
- (r) "Working Interest Owner" means a Party owning a Working Interest;
- (s) "Mission Canyon Formation" means the Mission Canyon Formation (Alida Beds) of the Mississippian Age underlying lands outlined on Exhibit "B", as exemplified by the geological section occurring between the electric log depths of 3,031 and 3,124, as measured from the Kelly Bushing, in the Omega Waskada 4-30-1-25 well as identified in Exhibit "C".

## ARTICLE II

### EXHIBITS

#### 201. Exhibits

The following exhibits are attached to and incorporated in this agreement:

- (a) Exhibit "A" which numbers and describes each Tract and sets forth its Tract Participation, the names of the owners of the Working Interest and their respective shares of the Working Interest, together with the names of the persons believed to be the owners of the Royalty Interests;
- (b) Exhibit "B" which is a plan of the Unit Area;
- (c) Exhibit "C" which is a copy of a portion of the electric log referred to in sub-clause 101 (s) hereof.

202.        Exhibits Correct

Each exhibit shall be deemed conclusively to be correct to the effective time of a revision or correction thereof as herein provided.

203.        Correction of Exhibits

If any mistake or mechanical error occurs in an exhibit, Unit Operator may, or upon request of the Working Interest Owners shall, prepare a corrected exhibit but the data used in establishing Tract Participation shall not be re-evaluated.

204.        Effective Time

Any corrected exhibit prepared on or before the Effective Date or within 90 days thereafter shall be effective on the Effective Date. Any corrected exhibit prepared after the said 90 days shall be effective at 0800 hours official time on the first day of the calendar month next following its preparation or on such other date as is determined by the Working Interest Owners.

205.        Supplying of Exhibits

Each time that an exhibit is revised or corrected pursuant to this agreement, Unit Operator shall supply the Conservation Board and the Department of Mines, Resources and Environmental Management with copies thereof as may be required and shall supply each Working Interest Owner with the number of copies of the exhibit it requests. Each Working Interest Owner shall supply each of its Royalty Owners, excepting the Crown, with a copy thereof.

206.        Form of Revised or Corrected Exhibits

Exhibits that are revised or corrected shall show the effective time of the revision or correction and shall be numbered consecutively.

ARTICLE III

UNITIZATION AND EFFECT

301. Unitization

On and after the Effective Date the interests of each Royalty Owner and of each Working Interest Owner in the Unitized Substances and in the Unitized Zone are hereby unitized, as if the Unitized Zone had been included in a single lease executed by the Royalty Owners, as lessors, in favour of the Working Interest Owners, as lessees, and as if the lease had been subject to this agreement.

302. Personal Property Excepted

All lease and well equipment heretofore or hereafter placed by any of the Working Interest Owners on lands comprised in the Unit Area shall be deemed conclusively to be and shall remain personal property belonging to and may be removed by the Working Interest Owners subject to the Working Interest Owners rights and interests therein as may be set forth in the Unit Operating Agreement.

303. Continuation of Leases

All operations conducted with respect to the Unitized Zone or production of Unitized Substances shall, except for the purpose of calculating payments to Royalty Owners, be deemed conclusively to be operations upon or production from all of the Unitized Zone in each Tract, and such operations or production shall continue in force and effect each Lease and any other agreement or instrument relating to the Unitized Zone or Unitized Substances as if such operations had been conducted on and a well was producing from each Tract or Spacing Unit, or portion thereof, in the Unit Area.

304.        Leases Amended

Each Lease and any other agreement or instrument relating to the Unitized Zone or Unitized Substances is hereby amended only to the extent necessary to make it conform to this agreement.

305.        Ratification of Leases

Except for a Lease in respect of which a court action has been commenced and is pending on the Effective Date, each Royalty Owner hereby ratifies and confirms any Lease, as amended by this agreement, to which it is a party and agrees that no default exists with respect thereto and that any such Lease is in effect as of the Effective Date.

306.        Effect of Unitization on Titles

Nothing herein shall be construed as a transfer or exchange of any interest in the Leases, Tract or Unitized Zone, or in the Unitized Substances before production thereof.

307.        Name

The name of the unit hereby constituted is "Waskada Unit No. 1".

ARTICLE IV

AUTHORITY TO WORKING INTEREST OWNERS

401.        Operations

The Working Interest Owners are hereby granted the right to develop and operate the Unitized Zone without regard to the provisions of the Leases or the boundary lines of the Tracts or Spacing Units in such manner and by such means and methods as the Working Interest Owners consider necessary and proper and, without limiting the generality of the foregoing, the right to

inject any substance or combination of substances into the Unitized Zone and convert and use as injection wells any wells now existing or hereafter drilled into the Unitized Zone.

402.        Delegation

The Working Interest Owners may delegate to Unit Operator any of the rights and powers herein or otherwise granted to them.

403.        Vote of Working Interest Owners

Any matter to be determined under this agreement by the Working Interest Owners may be determined by vote of the Working Interest Owners.

ARTICLE V

INCLUSION AND QUALIFICATION OF TRACTS

501.        Tracts Included on Effective Date

The Tracts included in the Unit Area as of the Effective Date are those Tracts which are qualified under Clause 502. before the Effective Date.

502.        Qualification of Tracts

A Tract is qualified for inclusion in the Unit Area when:

- (a) owners of 100 per cent of the Working Interest therein have become Parties and parties to any applicable Unit Operating Agreement and owners of 100 per cent of the Royalty Interest therein have become Parties, or
- (b) owners of Working Interests therein have agreed with the owners of Working Interests then Parties and parties to any applicable Unit Operating Agreement as to the basis on which the Tract shall become qualified, where the Tract cannot be qualified

pursuant to sub-clause (a) of this clause.

503.        Unit Operating Agreement

If more than one person executes this agreement as a Working Interest Owner, then the Working Interest Owners shall negotiate and execute a Unit Operating Agreement, providing among other things for the conduct of the operations hereunder and the distribution of costs among the Working Interest Owners. Until such Unit Operating Agreement has been executed by the Working Interest Owners only those Tracts in which the Working Interest is held by the person holding the Working Interest in the majority of the Tracts may be qualified for inclusion in the Unit Area. Subject to the other provision on this agreement, the cost of all operations conducted hereunder by the Working Interest Owners shall be borne by the Working Interest Owners. The Unit Operating Agreement and all amendments thereto are subject to the approval of the Conservation Board.

ARTICLE VI

TRACT PARTICIPATION

601.        Tract Participation

Each Tract has an interim Tract Participation and a final Tract Participation as shown on Exhibit "A". The interim Tract Participation shall be effective until the first day of the month next following the expiry of 18 consecutive calendar months from the date on which the injection of water into the Unitized Zone is commenced hereunder as part of a secondary recovery program provided that in no event shall the interim Tract Participation be in effect beyond 0800 hours official time September 1, 1977. Upon the expiry of the interim Tract Participation as aforesaid the final Tract Participation shall

thereupon become effective.

(a) Interim Tract Participation

Tract Participation for the interim period was based on actual production of petroleum during the 12 month period commencing September 1, 1974 adjusted for down time. The total production of petroleum from all wells on a proposed Tract for the aforesaid period, adjusted for mechanical down time, multiplied by one hundred and divided by the total production of petroleum from all wells within the proposed Unit Area for the aforesaid period results in the interim Tract Participation for such Tract.

(b) Final Tract Participation

Tract Participation for the final period was based on the calculated remaining recoverable petroleum in place within the proposed Unitized Zone as at November 30, 1975 assuming an ultimate recovery factor of 50 per cent. Remaining recoverable petroleum as aforesaid was determined by subtracting produced petroleum from the estimated ultimate recoverable petroleum. The remaining recoverable petroleum of a proposed Tract multiplied by one hundred and divided by the total remaining recoverable petroleum of all proposed Tracts results in the final Tract Participation for such Tract.

ARTICLE VII

ALLOCATION OF UNITIZED SUBSTANCES PRODUCED

701. Allocation to Tracts

Subject to Clauses 801. and 802. the Unitized Substances when produced shall be allocated to the Tracts in accordance with their Tract

Participations. The amount of Unitized Substances allocated to each Tract, and only that amount, regardless of whether it be more or less than the amount of actual production of Unitized Substances from the well or wells, if any, on the Tract, shall be deemed conclusively to have been produced from the Tract.

702. Distribution Within Tracts

The Unitized Substances allocated to a Tract shall be distributed by the Working Interest Owners thereof among, or accounted for to, the Parties entitled to share in production from the Tract in the same manner, the same proportions, and upon the same conditions as they would have participated and share in the production from the Tract, or in the proceeds from the sale thereof, had the Unitized Substances allocated to the Tract been actually produced therefrom by the Working Interest Owners. The allocation of Unitized Substances to a Spacing Unit within a Tract shall be determined by dividing the amount of Unitized Substances allocated to the Tract by the number of Spacing Units within the Tract.

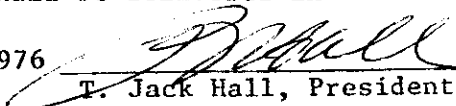
703. Calculation of Royalty

The Working Interest Owners of each Tract shall calculate royalty on the Unitized Substances allocated to the Tract at the applicable rate under the Lease, other agreement or instrument relating to the Tract. The Royalty Owners of each Tract agree to accept payment of royalty so calculated in satisfaction of the obligation of a Working Interest Owner to make royalty payments on Unitized Substances under the Lease, agreement or other instrument covering such Tract; but a lessee under a Lease shall not be relieved from making payment of royalty to its lessor if payment is not made by the Working Interest Owner as aforesaid.

704. Taking Unitized Substances in Kind

The Unitized Substances allocated to a Tract shall be delivered in

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T. Jack Hall, President  
Omega Hydrocarbons Ltd.

kind at the time and place of production to the Working Interest Owners entitled thereto who may, if there is no interference with unit operations, construct, maintain and operate in the Unit Area all necessary facilities for taking delivery in kind.

705.        Failure to Take in Kind

To the extent that a Party entitled to take in kind any of the Unitized Substances fails to take or otherwise dispose of them at the time and place of production, then so long as such failure continues, Unit Operator, as agent and for the account and at the expense of such Party may sell, store, inject or otherwise dispose of them. Where there is a sale the net proceeds remaining from the sale shall be paid to the Party. Unit Operator may contract for the sale thereof only for the minimum term obtainable which in no event shall exceed one year. When Unit Operator has so contracted, the Party may take its share of the Unitized Substances in kind upon the expiration of the current sales contract. Any Party not taking its share of the Unitized Substances in kind may revoke at will Unit Operator's authority hereunder by taking in kind all of its share of Unitized Substances not previously contracted for sale by Unit Operator.

706.        Royalty on Outside Substances

If an Outside Substance is injected into the Unitized Zone, the first like substance contained in the Unitized Substances subsequently produced and sold or used other than for operations hereunder shall be deemed conclusively to be an Outside Substance until a quantity equal to the quantity of the Outside Substance injected into the Unitized Zone is recovered. No royalty shall be payable on any substance which is deemed conclusively to be an Outside Substance.

ARTICLE VIII

USE, LOSS AND REINJECTION OF UNITIZED SUBSTANCES

801. Use or Loss

The Working Interest Owners may use as much of the Unitized Substances as they deem necessary for the operation and development of the Unitized Zone including, but not limited to, the injection thereof into the Unitized Zone and in the operation of any plant or plants handling Unitized Substances. Unitized Substances so used or injected and Unitized Substances lost shall be excluded in allocating Unitized Substances to Tracts, and no royalty or other payment shall be payable in respect thereof.

802. Reinjection

The Working Interest Owners are hereby granted the right to inject Unitized Substances into the Unitized Zone for enhanced recovery purposes. Unitized Substances so injected shall be excluded in allocating Unitized Substances to Tracts; and no royalty or other payment shall be payable in respect thereof until they are recovered from the Unitized Zone and sold or used for operations other than operations hereunder.

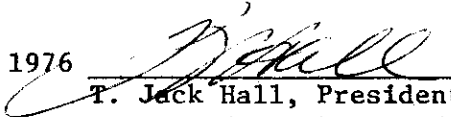
ARTICLE IX

ENLARGEMENT OF UNIT AREA

901. Application for Enlargement

After the expiry of 90 days from the Effective Date, if an Owner of a Working Interest in lands in the vicinity of the Unit Area indicated to be potentially productive of Petroleum Substances from the Mission Canyon

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Formation makes application therefore, the Working Interest Owners may, upon such terms and conditions as they may determine, approve the admission of the lands into the Unit Area. If the lands qualify under Clause 502., the Unit Area shall be enlarged to include them. Even though an owner of a Royalty Interest or a Working Interest in lands approved hereunder for admission into the Unit Area is a Party, the lands shall not qualify unless the owner again executes and delivers two counterparts of this agreement to Unit Operator, or the lands otherwise qualify pursuant to sub-clause (b) of Clause 502.

902.        Adjustment of Tract Participation

The Tract Participation of each Tract added pursuant to Clause 901. shall be determined by the Working Interest Owners. The Tract Participations shall then be adjusted so that:

- (a)        the ratios of the Tract Participations of Tracts shown on Exhibit "A" immediately prior to the enlargement remain the same to each other; and
- (b)        the total of the Tract Participations for all Tracts of the enlarged Unit Area and Unitized Zone is 100 per cent.

903.        Exhibits

Unit Operator shall revise Exhibits "A" and "B" as required by the enlargement.

904.        Effective Time of Enlargement

An enlargement pursuant to Clause 901. and an adjustment of Tract Participations under this Article shall become effective at 0800 hours official

time on the first day of the first calendar month following approval of admission under Clause 901. and Tract qualification under Clause 502.

905.       No Retroactive Adjustment

There shall never be any retroactive adjustment of the allocation of Unitized Substances by reason of an enlargement under this Article.

ARTICLE X

DISPUTES

1001.       Disputes

If the title or right of a Party to receive in kind all or any portion of the Unitized Substances allocated to a Tract, or any share of the proceeds from the sale thereof, is in dispute, the Party concerned shall forthwith give notice thereof to Unit Operator. If Unit Operator is so notified or if Unit Operator is directed to do so by the Working Interest Owners in the event that it is otherwise informed of the dispute, Unit Operator shall withhold and sell the portion of Unitized Substances the title or right to which is in dispute, and hold in trust the proceeds from the sale thereof until:

- (a)       the Party concerned furnishes security in a form and manner satisfactory to the Working Interest Owners for the proper accounting thereof to the rightful owner or owners if the title or right of the Party shall fail in whole or in part, whereupon the proceeds shall be paid to the Party; or
- (b)       the title or right thereto is established by a final judgment of a Court or otherwise to the satisfaction of the Working

Interest Owners, whereupon such proceeds shall be paid to the person rightfully entitled.

If Unit Operator does not comply with this clause because it is not notified of a dispute by a Party concerned, that Party hereby agrees to indemnify and save harmless Unit Operator from any loss or damage suffered because of anything done or omitted to be done by Unit Operator because it was not notified.

## ARTICLE XI

### TITLES

#### 1101. Warranty of Title

Each Working Interest Owner represents and warrants that it is the owner of the Working Interests claimed by it in the Tracts, as set forth in Exhibit "A", and hereby covenants to indemnify and hold the other Parties harmless from any loss due to failure in whole or in part of its title to any such Working Interest. A Working Interest Owner whose title to any such Working Interest in a Tract has so failed, shall be responsible for making at its own cost, with the person entitled to such Working Interest, any adjustment for investment and for development and operating expenses and of Unitized Substances or the proceeds thereof, resulting from such title failure. Notwithstanding the other provisions of this Clause, an indemnification of the other Working Interest Owners by a Working Interest Owner whose title to the Working Interest in a Tract fails shall, with respect to Unitized Substances, be limited to an amount equal to the cumulative value of Unitized Substances allocated to such Tract.

1102.        Subsequent Failure of Title

If the title of a Working Interest Owner to a Tract fails, the Tract shall be excluded from this agreement and any applicable Unit Operating Agreement as of 0800 hours official time on the first day of the calendar month in which the failure of title is finally determined unless:

- (a)    any other Party is held or declared to own the title in which event that Party shall be bound by this agreement and any applicable Unit Operating Agreement in respect of the Tract; or
- (b)    by the last day of the next following calendar month the Tract qualifies for inclusion in the Unit Area pursuant to Clause 502.

1103.        Revision of Exhibits

Unit Operator shall revise the exhibits to reflect any change in ownership in or exclusion from this agreement of a Tract pursuant to Clause 1102. Where a Tract is excluded, the Tract Participation of the other Tracts shall each be increased, without changing their ratios to each other, so that their summation is 100 per cent. The revised exhibits shall be effective as 0800 hours official time on the first day of the calendar month in which the failure of title referred to in Clause 1102. is finally determined.

ARTICLE XII

TRANSFER OF INTEREST

1201.        Disposition

In this clause "disposition" means a sale, assignment, transfer,

lease, sublease, conveyance, parting with possession, or any transaction of a similar nature, whether by trust or otherwise. A disposition of an interest owned by a Party in a Tract shall cover the whole or an undivided interest in the Party's interest in such Tract. A disposition shall not be binding on Unit Operator until at least one of the parties to such disposition has given notice thereof to Unit Operator by a copy of the instrument evidencing such disposition, and the acquiring party, if not a Party hereto, has executed and delivered to Unit Operator a counterpart of this agreement. Unit Operator shall revise the exhibits to reflect each disposition of an interest in a Tract and the revised exhibits shall be effective as of 0800 hours official time on the first day of the calendar month next following the calendar month in which the notice is received by Unit Operator.

#### ARTICLE XIII

##### IN GENERAL

1301.       Execution in Counterpart

This agreement may be executed in separate counterparts and all the executed counterparts together shall constitute one agreement.

1302.       Dual Capacity

If a Party owns a Working Interest and a Royalty Interest, its execution of this agreement shall constitute execution in both capacities.

1303.       Subsequent Execution

An owner of an interest in a Tract who has not become a Party as of the date the Tract was included in the Unit Area under Article V

or IX, may become a Party with respect to that interest only on such terms and conditions as may be prescribed by the Working Interest Owners.

1304.       No Partnership

The duties and obligations of the Parties shall be separate and not joint or collective. Nothing contained in this agreement shall be construed to create a partnership or association.

1305.       Force Majeure

Neither Unit Operator nor any Party shall be deemed to be in default with respect to non-performance of its obligations hereunder, other than financial, if and so long as its non-performance is due, in whole or in part, to any cause beyond its reasonable control, but lack of funds shall not be a cause beyond a Party's reasonable control. The performance of such obligations shall begin or be resumed within a reasonable time after such cause has been removed. Neither this agreement nor any Lease or any other agreement or instrument relating to the Unitized Zone or Unitized Substances shall terminate by reason of suspension of unit operations for the cause set forth in this clause.

1306.       Taxes

Each Party shall be separately liable to the extent of its ownership for all taxes on Unitized Substances and with respect to the production or sale of Unitized Substances. A Working Interest Owner may, at any time and from time to time, pay said taxes on behalf of its Royalty Owner and deduct the amount of the payment from the Royalty Owner's royalty. Those taxes with respect to the production or sale of Unitized Substances shall be

adjusted so that they are borne as if the basis of taxation was the allocation of Unitized Substances hereunder.

1307.       Right of Redemption

A Working Interest Owner may, at any time and from time to time, with full rights of subrogation, redeem for its Royalty Owner any agreement for sale, mortgage, or other lien or encumbrance of any kind or nature affecting any interest in the Unit Area in the event of default of payment by the Royalty Owner and deduct the amount of any payment made hereunder from the Royalty Owner's royalty.

1308.       Interpretation

The clause headings in this agreement shall not be considered in interpreting the text.

1309.       Number and Gender

In this agreement words importing the singular include the plural and vice versa; words importing the masculine gender include the feminine and vice versa; and words importing persons include firms or corporations and vice versa.

1310.       Time

In this agreement all times are Central Standard Time.

1311.       Time of the Essence

Time is of the essence in this agreement.

1312.       Approval of the Conservation Board

This agreement is subject in its entirety to the approval of the Conservation Board.

ARTICLE XIV

EFFECTIVE DATE

1401.       Effective Date

The unitization provided for herein shall become effective at 0800 hours official time on the first day of the month following the date on which written approval of this agreement has been received from the Conservation Board by Unit Operator.

1402.       Notice of Effective Date

As soon as possible after the Effective Date, Unit Operator shall notify all Royalty Interest Owners, the Conservation Board and the Department of Mines, Resources and Environmental Management of the Effective Date.

1403.       Release of Parties

This agreement shall cease to bind the Parties if the unitization provided for herein has not become effective on or before the 1st day of June, 1976.

ARTICLE XV

TERM

1501.       Effect of Execution and Delivery

Subject to Clause 1403., this agreement is binding upon a person who executes and delivers two counterparts thereof to Unit Operator, and that

person is bound by this agreement as of the time of such delivery. This agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the Parties.

1502. Termination

This agreement terminates 90 days after all wells for the production of Unitized Substances in the Unit Area have been abandoned, plugged or disposed of or upon the termination of any applicable Unit Operating Agreement, and thereafter the Parties shall be governed by the terms and provisions of their Leases and other agreements or instruments relating to the Unitized Zone or Unitized Substances.

1503. Salvaging Equipment Upon Termination

The Royalty Owners grant the Working Interest Owners the right for a period of 6 months after termination of this agreement to salvage, sell, distribute or otherwise dispose of the personal property and facilities used in connection with unit operations.

1504. Notice to Royalty Owners

The Working Interest Owners shall give notice in accordance with their Leases to their respective Royalty Owners of the termination of this agreement within 30 days thereafter.

1505. Conform to Legislation

All operations conducted under this agreement shall conform to all applicable statutes, regulations and other legislation, as amended from time to time.

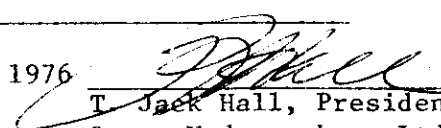
IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date:

\_\_\_\_\_

\_\_\_\_\_

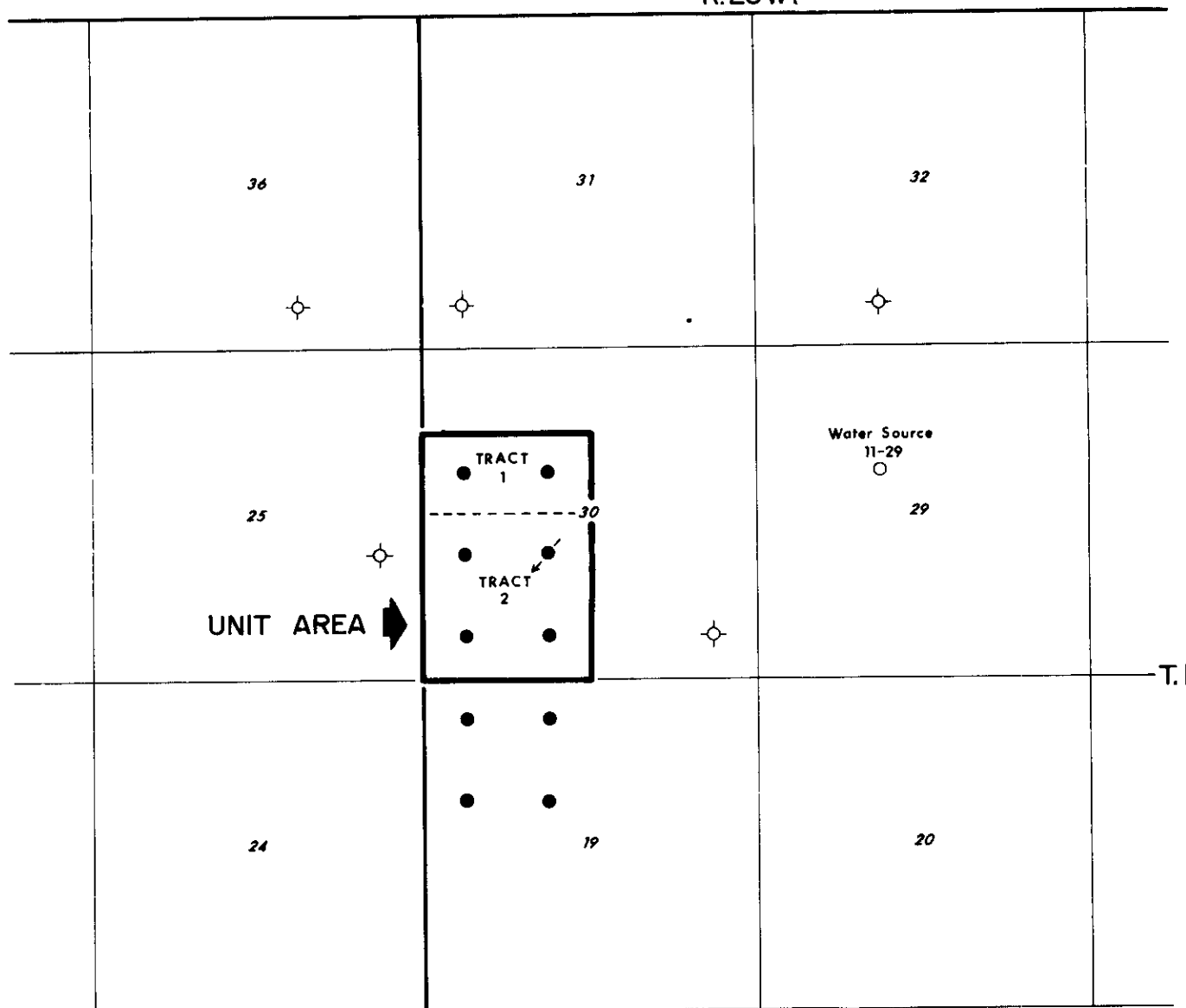
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T. Jack Hall, President  
Omega Hydrocarbons Ltd.

## EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED  
" UNIT AGREEMENT - WASKADA UNIT No. 1 "

R.25W1



WASKADA UNIT NO. 1

### LEGEND

- PROPOSED INJECTION WELL
- WATER SOURCE WELL
- PRODUCING OIL WELLS
- ⊕ ABANDONED

SCALE : 2" = 1MILE

DATE : DEC. 1975

# **EXHIBIT "A"**

Attached to and made part of an agreement entitled

"Unit Agreement - Waskada Unit No. 1"

Tract Number	Land Description		Rge. WPM	Twp.	Royalty Owner	Tract Participation		Working Interest Owners & Share In Tract %	Working Interest Share of Tract Participation	
	Section					Interim	Final		Interim	Final
1	Lsd's 11 & 12 of Section 30	1	25		Canada Trust Que West Triton	16.291	17.335	Omega	16.291	17.335
2	Lsd's 3,4,5, & 6 of Section 30	1	25		Crown Que West Triton P.C.P.	83.709	82.665	Omega	83.709	82.665
						100.000	100.000		100.000	100.000

## IN THIS AGREEMENT

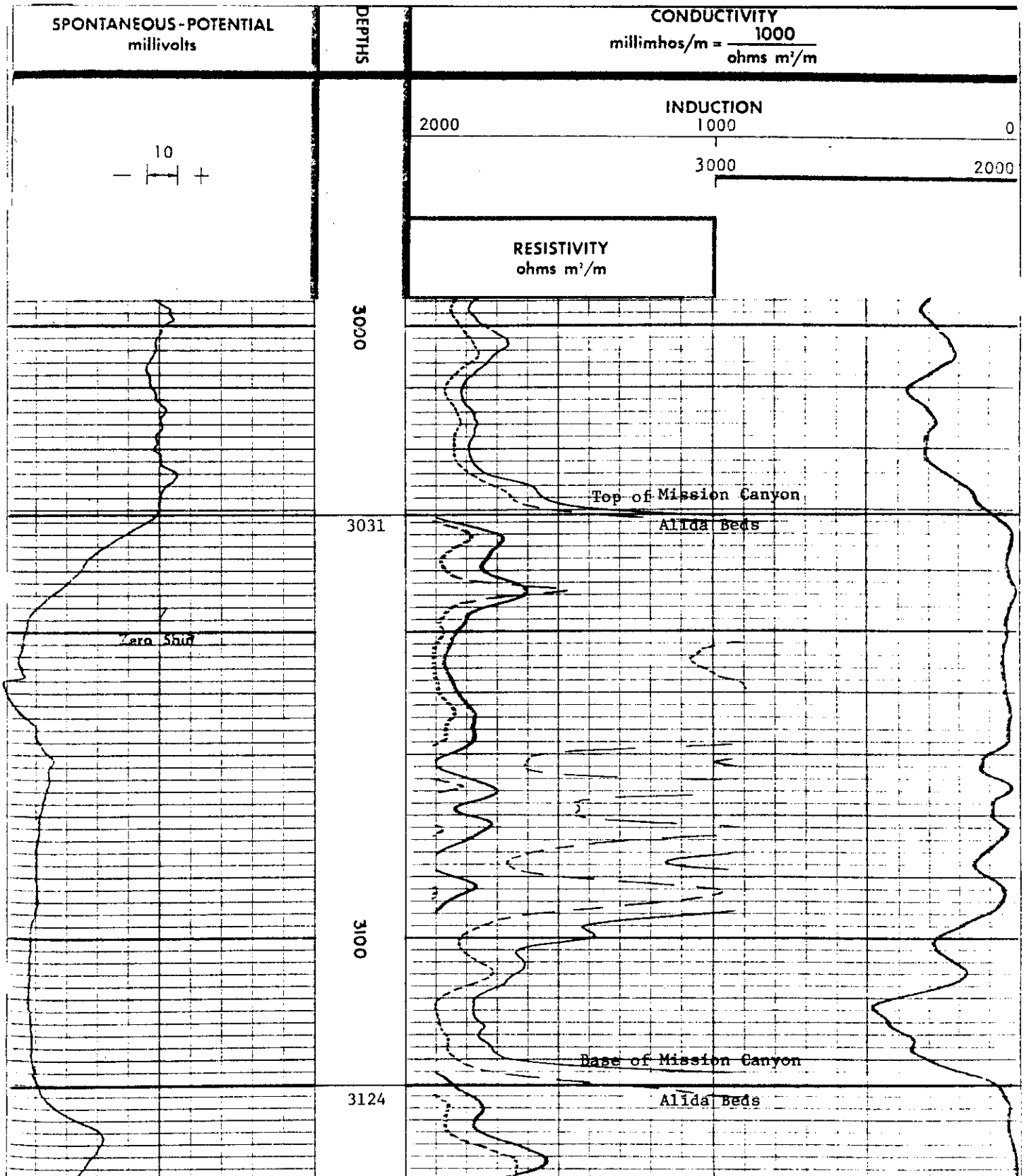
Canada Trust	shall	mean	The Canada Trust Company
Crown	shall	mean	Her Majesty the Queen in the name of Canada
Omega	shall	mean	Omega Hydrocarbons Ltd.
P.C.P.	shall	mean	PanCanadian Petroleum Limited
Que West	shall	mean	Que West Resources Ltd.
Triton	shall	mean	Triton Canada Resources Ltd.

Revision No. 1  
1989-07-01

Effective: As of the  
Effective Date

# EXHIBIT "C"

Attached to and made part of an agreement entitled "Unit Agreement - Waskada Unit No. 1"



MICROFILMED

TO .....

HERE .....

*June/79*

D r a f t   O n l y

July 9, 1976

Omega Hydrocarbons Ltd.,  
574 - 330 Fifth Avenue S. W.,  
Calgary, Alberta.  
T2P 0L4

Attention: Mr. T. J. Hall, President.

Dear Sir:

Re: Waskada Unit No. 1  
Order No. 47A

Pursuant to your application dated June 30, 1976 and in accordance with Subsection 62(9) of The Mines Act, and notwithstanding Section 11 of Manitoba Revised Regulation M160 - R4P, Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, is hereby granted permission to operate the Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission is granted subject to the following conditions:

1. Unit operations are carried out in accordance with good engineering practice.
2. Gas production rates shall be continuously monitored and the results submitted to the Petroleum Branch.
3. The annual pressure survey required under PM Order No. 30 shall be completed prior to November 1, 1976.
4. This approval expires November 1, 1976 and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented.

Yours sincerely,

Jas. T. Cawley, F. Eng.,  
Chairman.

HQM/et  
c.c. Petroleum Branch

DRAFT ONLY

NOTICE

WASKADA FIELD

The Oil and Natural Gas Conservation Board has approved an application by Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, to permit the wells in the Unit to be operated under a Unit Maximum Permissible Rate of 300 barrels of oil per day for an interim period.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba  
R3H 0W4

---

Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

DRAFT ONLY

July 9, 1976

Copperhead Oil Company Limited,  
P. O. Box 1027,  
Virden, Manitoba.  
ROM 2CO

Attention: Mr. Steve Hegion,  
President.

Dear Sir:

Re: Maximum Permissible Rates  
Waskada Field

Attached is a copy of a Notice pertaining to Maximum Permissible Rates in the unitized portion of the Waskada Field.

Recent information on the pilot water flood being carried out in Waskada Unit No. 1 would indicate that optimistic tangible results are starting to be felt.

Please submit a statement to the Board prior to October 1, 1976 outlining what future operations, with corresponding timetable, Copperhead has planned with respect to the portion of the field it operates.

Yours sincerely,

Jas. T. Cawley, P. Eng.,  
Chairman.

HCM/et

Attach.

c.c. Petroleum Branch

**Manitoba Regulation 28/69**

*Being The Oil and Natural Gas Conservation Board*

**ORDER NO. 47A**

*Pertaining to the Maximum Permissible Rate of Production in the  
WASKADA FIELD*

*Made and passed pursuant to "The Mines Act", R.S.M., 1954,  
and amendments thereto, by The Oil and Natural Gas Conservation Board.*

*(Filed February 18, 1969)*

1. Until further order, all wells in the Waskada Field shall produce at an average daily rate not to exceed 50 barrels of clean oil, and at a maximum daily allowable rate not to exceed 60 barrels of clean oil, provided, however, that such production rates each shall be reduced through multiplication by
  - (i) the Gas-Oil Ratio Penalty Factor determined in accordance with Schedule A to this Order, and
  - (ii) the Water-Oil Ratio Penalty Factor determined in accordance with Schedule B to this Order.
2. This Order shall not apply to any well that is prohibited from producing, and is shut down by Board Order.
3. This Order may be rescinded by the Board at any time without notice.
4. This Order shall be effective on and from the 1st day of April, 1969, at 12 o'clock noon.

Oil and Natural Gas Order No. 47A, made  
and passed this 4th day of February,  
A.D., 1969, at the City of Winnipeg,  
in the Province of Manitoba, by The  
Oil and Natural Gas Conservation  
Board.

Approved:

"Harry J. Enns"

Harry J. Enns,  
Minister of Mines and Natural Resources

"J. S. Richards"

J. S. Richards,  
Deputy Chairman,  
The Oil and Natural Gas Conservation  
Board

"H. J. Gobert"

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

**\*GAS-OIL RATIO PENALTY FACTOR TABLE  
BEING SCHEDULE "A" TO BOARD ORDER**

No. 47A.

*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor	*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor	*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor	*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor
0	1.00						
1005	0.99	1343	0.74	2022	0.49	4090	0.24
1015	0.98	1361	0.73	2064	0.48	4265	0.23
1026	0.97	1380	0.72	2107	0.47	4455	0.22
1036	0.96	1399	0.71	2153	0.46	4663	0.21
1047	0.95	1419	0.70	2200	0.45	4891	0.20
1058	0.94	1440	0.69	2250	0.44	5142	0.19
1070	0.93	1461	0.68	2301	0.43	5421	0.18
1081	0.92	1482	0.67	2356	0.42	5732	0.17
1093	0.91	1505	0.66	2412	0.41	6081	0.16
1105	0.90	1528	0.65	2472	0.40	6474	0.15
1118	0.89	1551	0.64	2535	0.39	6923	0.14
1130	0.88	1576	0.63	2601	0.38	7438	0.13
1143	0.87	1601	0.62	2670	0.37	8035	0.12
1156	0.86	1627	0.61	2743	0.36	8737	0.11
1170	0.85	1654	0.60	2821	0.35	9574	0.10
1184	0.84	1682	0.59	2903	0.34	10588	0.09
1198	0.83	1711	0.58	2990	0.33	11842	0.08
1212	0.82	1740	0.57	3082	0.32	13432	0.07
1227	0.81	1771	0.56	3180	0.31	15517	0.06
1243	0.80	1803	0.55	3284	0.30	18367	0.05
1258	0.79	1836	0.54	3396	0.29	22500	0.04
1274	0.78	1871	0.53	3515	0.28	29032	0.03
1291	0.77	1906	0.52	3643	0.27	40909	0.02
1308	0.76	1943	0.51	3781	0.26	69230	0.01
1325	0.75	1982	0.50	3930	0.25	225000	
1343		2022		4090			

**NOTE \*** GAS-OIL RATIO: Total separator gas-oil ratio, cubic feet per barrel (average for last previous producing month).

SEPARATOR PRESSURE: Pounds per square inch guage (average for last previous producing month). For multi stage separators, use lowest separator pressure.

PENALTY FACTOR: Gas-oil ratio penalty factor (to apply to current month) Use the total of Gas-Oil Ratio plus Separator Pressure to obtain Penalty Factor.

To obtain Penalty Factor for an exact Gas-Oil Ratio plus Separator Pressure total set out in table, read upper Penalty Factor. For example:-

for Gas Oil Ratio plus Separator Pressure = 1081 Penalty Factor = 0.93

To obtain Penalty Factor for Gas Oil Ratio plus Separator Pressure values between tabulated values do not interpolate. Use Factor opposite. For example:-

for any Gas-Oil Ratio plus Separator Pressure total from 1082 to 1093 inclusive, Penalty Factor = 0.92

Penalty Factors to be read to two figures only. Do not interpolate.

**\*WATER-OIL RATIO PENALTY FACTOR TABLE  
BEING SCHEDULE "B" TO BOARD ORDER**

No. 47 A.

*Water-Oil Ratio	Penalty Factor	*Water-Oil Ratio	Penalty Factor	*Water-Oil Ratio	Penalty Factor	*Water-Oil Ratio	Penalty Factor
0.0000	1.00	0.6865	0.74	2.0449	0.49	6.1818	0.24
0.0199	0.99	0.7231	0.73	2.1284	0.48	6.5308	0.23
0.0316	0.98	0.7607	0.72	2.2154	0.47	6.9108	0.22
0.0524	0.97	0.7993	0.71	2.3062	0.46	7.3264	0.21
0.0737	0.96	0.8391	0.70	2.4009	0.45	7.7826	0.20
0.0954	0.95	0.8800	0.69	2.5000	0.44	8.2857	0.19
0.1176	0.94	0.9220	0.68	2.6035	0.43	8.8433	0.18
0.1403	0.93	0.9654	0.67	2.7120	0.42	9.4649	0.17
0.1634	0.92	1.0100	0.66	2.8257	0.41	10.1621	0.16
0.1871	0.91	1.0560	0.65	2.9450	0.40	10.9496	0.15
0.2113	0.90	1.1034	0.64	3.0704	0.39	11.8461	0.14
0.2360	0.89	1.1523	0.63	3.2023	0.38	12.8760	0.13
0.2613	0.88	1.2028	0.62	3.3412	0.37	14.0714	0.12
0.2871	0.87	1.2549	0.61	3.4878	0.36	15.4757	0.11
0.3136	0.86	1.3088	0.60	3.6426	0.35	17.1489	0.10
0.3407	0.85	1.3644	0.59	3.8064	0.34	19.1764	0.09
0.3684	0.84	1.4220	0.58	3.9800	0.33	21.6842	0.08
0.3968	0.83	1.4816	0.57	4.1643	0.32	24.8656	0.07
0.4258	0.82	1.5433	0.56	4.3604	0.31	29.0344	0.06
0.4556	0.81	1.6072	0.55	4.5693	0.30	34.7346	0.05
0.4861	0.80	1.6734	0.54	4.7924	0.29	43.0000	0.04
0.5174	0.79	1.7422	0.53	5.0312	0.28	56.0645	0.03
0.5495	0.78	1.8135	0.52	5.2874	0.27	79.8181	0.02
0.5824	0.77	1.8876	0.51	5.5630	0.26	136.4615	0.01
0.6162	0.76	1.9647	0.50	5.8602	0.25	448.0000	
0.6509	0.75	2.0449		6.1818			
0.6865							

NOTE \* WATER-OIL RATIO: Barrel per barrel (average for last previous producing month).

PENALTY FACTOR: \*Water-oil ratio penalty factor (to apply to current month).

To obtain Penalty Factor for an exact \*Water-Oil Ratio value set out in table, read upper penalty factor. For example:-

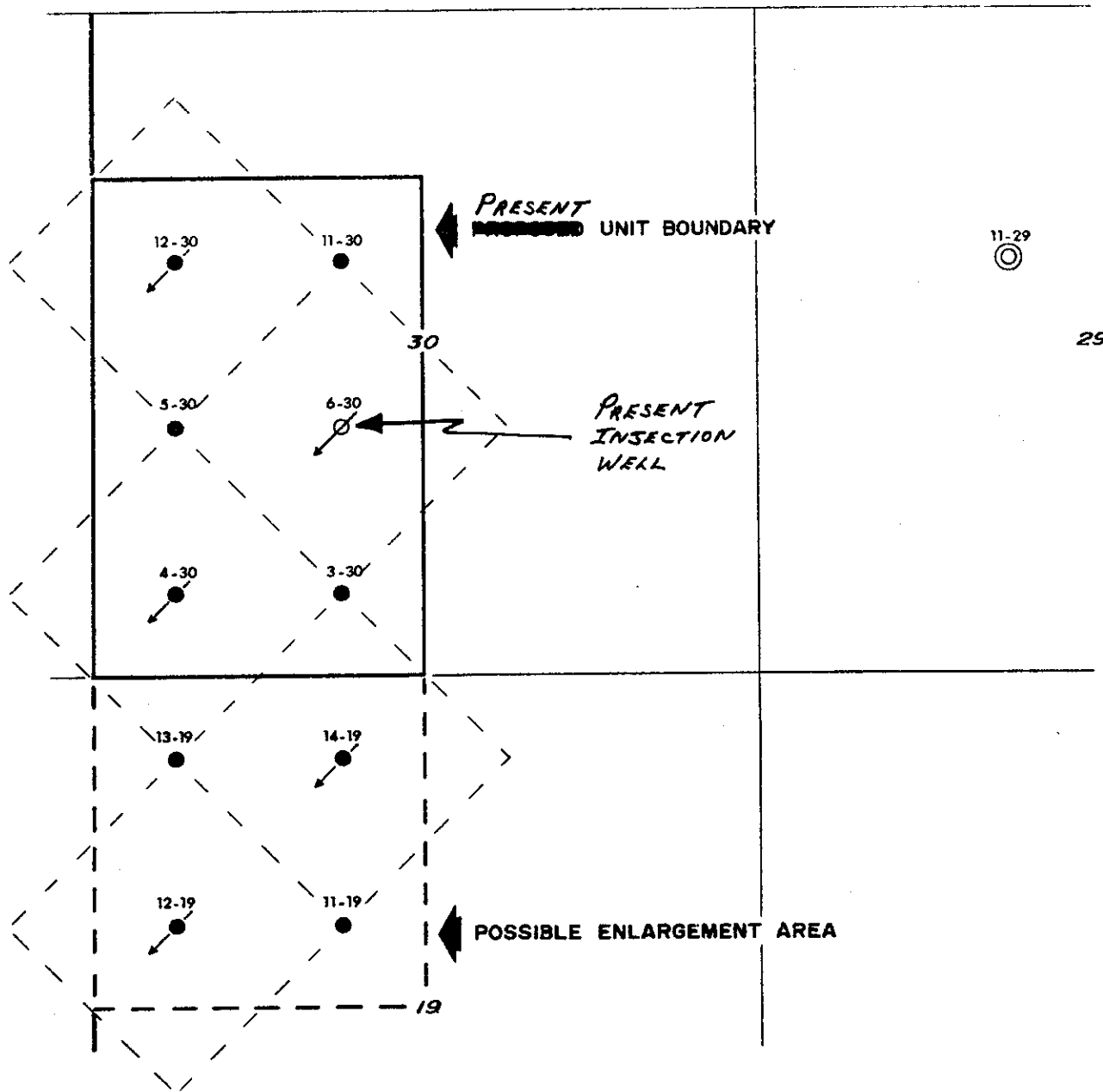
for \*Water-Oil Ratio = 0.1871 Penalty Factor = 0.92

To obtain Penalty Factor for \*Water-Oil Ratio values between tabulated values do not interpolate. Use Factor opposite. For example:- for any \*Water-Oil Ratio from 0.1872 to 0.2113 inclusive Penalty Factor = 0.91

Penalty Factors to be read to two figures only. Do not interpolate.

\*Water must include all water and BS & W produced by the well.

Twp. 1 Rge. 25 W1M



**LEGEND**

- PROPOSED INJECTION WELL
- ⊙ WATER SOURCE WELL
- PRODUCING WELLS
- OIL WELLS, FUTURE INJECTION WELLS

**PROPOSED  
WASKADA UNIT NO. 1**  
MAP NO. 1

**FLOOD PATTERN**

SCALE: 4" = 1 MILE

DATE: Nov. 20, 1975



**HYDROCARBONS Ltd.**

TELEPHONES

ACCOUNTING 263-6161

EXECUTIVE 261-7670

574 - 330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

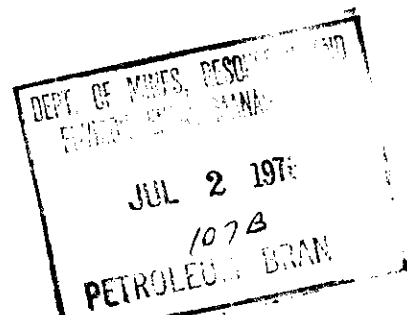
June 30, 1976

Department of Mines, Resources and  
Environmental Management  
Mineral Resources Division,  
993 Century Street,  
Winnipeg, Manitoba.

Attention: H. C. Moster, P. Eng.  
Director, Petroleum Branch

Dear Sir:

Re: Waskada Unit No. 1  
Order No. PM 30



Pursuant to Section 62, Clause (9)(g), Chapter M-100 of the Mines Act, Omega Hydrocarbons Ltd., herein submits an application to the Oil and Gas Conservation Board requesting a waiver of individual well "Maximum Permissive Rates" for the Waskada Unit No. 1 wells.

In support of this application we provide the following information:

1. On April 2, 1976, Omega initiated the injection of untreated Blairmore water into the water injection well located at Lsd. 6-30-1-25. Initially water was injected at zero well-head pressure and 600 barrels per day gradually declining to approximately 50 barrels per day over a period of two weeks. Two surface pump units were installed following spring break-up and the pressure gradually increased to 500 psig at an injection rate of 1200 bbls./day. The current injection volume is 1300 bbls./day at 480 - 500 psig pressure whereas, the accumulative injection volume is approximately 70,000 bbls.
2. On June 27, 1976, Omega's Contract Operator reported the first significant increase in oil production. Daily production showed an increase from 45 bbls. to 82 bbls. from four Unit wells.
3. The well located in Lsd. 11-30-1-25, has shown only slight indications of flood response. It has produced 2 - 3 bbls. during short production intervals followed by long shut in periods.
4. Individual well tests on Lsd. 5-30-1-25, during a twenty four hour period ending June 28, 1976 indicated an increase from 15 bbls./day to 32 bbls./day. Although gas measurements

have been taken, no gas volume is available at this writing.

5. Producing rates on 4-30 and 5-30 are expected to exceed the 50 bbls./day allowable within the next two week period.

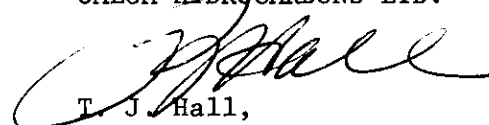
If the Board is unable to approve the above request at this time, Omega would be receptive to an interm allowable of 300 bbls./day for the Unit Area thus accommodating the transfer of the injection well allowable and non capable well allowables to the more productive wells.

This application is made in recognition of the above referenced pressure maintenance order and having regard to a unitized operation where equities among Unit Owners will not be adversely affected.

We trust that the aforementioned information will be helpful to the Board, however if additional data is required we will be pleased to provide same.

Yours very truly,

OMEGA HYDROCARBONS LTD.



T. J. Hall,  
President.

TJH:jw

The Oil and Natural Gas  
Conservation Board:  
Jas. T. Casley, P. Eng., Chairman,  
J. S. Roper, Deputy Chairman,  
I. Haugh, Member.

76 07 09

H. C. Moster,  
Director,  
Petroleum Branch.

Subject:

Production Allowable Exemption — Waskada Unit No. 1  
Omega Hydrocarbons Ltd.

In a letter dated June 30, 1976, Omega Hydrocarbons Ltd., operator of Waskada Unit No. 1, made application for waiver of individual well "Maximum Permissive Rates" for wells in Waskada Unit No. 1 (copy of letter attached).

Background:

The subject Unit was formed effective June 1, 1976 after being heard at a public hearing conducted by The Oil and Natural Gas Conservation Board on March 12, 1976.

Water injection was initiated on April 2, 1976 through the well located in Lsd. 6-30-1-2, WPM. Water was initially being disposed of at a rate of 600 barrels per day at zero wellhead pressure. At present the wellhead injection pressure is 480 - 500 p.s.i.g. and the injection rate is 1,300 barrels per day. Cumulative water injection to the end of June 1976 was approximately 70,000 barrels.

Recent well production tests have indicated flood response is starting to be felt in certain adjacent wells with oil production rates having more than tripled in some cases. The applicant is concerned that response may be such in a few weeks that the present allowable restrictions may adversely affect the equity of Unit Owners.

Discussion:

The layout of the Unit (see attached map) is such that the present injection well is separated from the non-unit producing wells to the south (Copperhead) by Unit producing oil wells. If flood response is such that the production capacity of the adjacent producing wells exceeds the present average daily allowable (50 B.O.P.D.), then Unit oil may be swept past the producing Unit wells to either to the edges of the reservoir where it will not be recovered by present Unit wells or onto the non-unitized tracts to the south.

To protect the rights of parties within the Unit and to permit operation of the Unit according to good engineering practise the following alternatives are possible.

1. Grant the application.
2. Limit the injection volumes to keep the capacity of producing wells below the present allowable (not technically advisable).
3. Hold a show cause hearing as to why the southern portion of the reservoir should not be ordered to join the Unit or be placed under a separate waterflood scheme (not sufficient evidence at this time).

NOTE: The majority of all other Units in Manitoba presently have all wells exempted from production allowables.

Recommendations:

It is recommended the following steps be taken:

1. The Board grant the Unit Operator (Omega) permission to produce the wells in the Unit under good production practise but subject to a "Unit Allowable" of 300 B.C.P.D. for a period ending October 31, 1976. This will permit the Unit to temporarily protect its interests and allow additional production and pressure data to be obtained to more fully evaluate the success of the pilot flood. The "Unit Allowable" equals the sum of the individual allowables of all oil wells in the Unit. (A draft letter of approval is attached.)
2. A notice of the action proposed under 1. be advertised for objections by any interested party. (Draft notice attached).
3. Copperhead Oil Company Limited be formally notified of the following:
  - (a) The Board's action under 1.
  - (b) That there appears to be tangible evidence of waterflood response in the Unit, and that the Board wishes Copperhead to submit a statement as to their future operational plans in the Waskada Field. (Draft letter attached).

Original Signed by H. C. Moster

H. C. Moster

HCM/et  
Attachs.

Queen's Printer  
200 Vaughan Street  
Winnipeg, Manitoba

76 07 21

H. C. Moster,  
Director  
Petroleum Branch

ADVERTISING — NOTICE OF HEARING

Please have the attached Notice inserted in the Manitoba  
Gazette issue dated Saturday, July 31, 1976.

Original Signed by H. C. Moster

Thank you.

HCM/cf  
Attach.  
b.c.c. H. C. Moster

*Virden - Empire Advance*  
*July 28/76*  
PAGE 3

THE OIL AND NATURAL GAS  
CONSERVATION BOARD

NOTICE

WASKADA FIELD

The Oil and Natural Gas Conservation Board has approved an application by Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, to permit the wells in the Unit to be operated under a Unit Maximum Permissible Rate of 300 barrels of oil per day for an interim period.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

Dated at Winnipeg, Manitoba,  
this 19th day of July, 1976.



DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD

993 Century Street-  
Winnipeg, Manitoba.  
R3H 0W4

Jas. T. Cawley 946-7438  
CHAIRMAN  
J. S. ROPER 946-7859  
DEPUTY CHAIRMAN  
Dr. I. Haugh 633-9543  
MEMBER

Omega Hydrocarbons Limited,  
574 - 330 Fifth Avenue S.W.,  
Calgary, Alberta.  
T2P 0L4

76 07 19.

Attention: Mr. T. J. Hall,  
President.

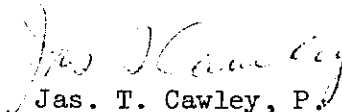
Dear Sir:

Re: Waskada Unit No. 1  
Order No. 47A.

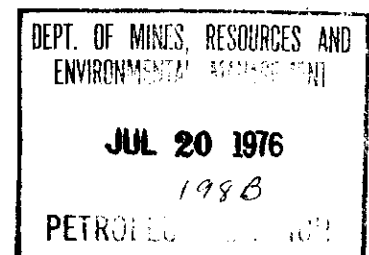
Pursuant to your application dated June 30, 1976, and in accordance with Subsection 62(9) of The Mines Act, and notwithstanding Section 11 of Manitoba Revised Regulation M160-R4P, Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, is hereby granted permission to operate the Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission is granted subject to the following conditions:

1. Unit operations are carried out in accordance with good engineering practice.
2. Gas production rates shall be continuously monitored and the results submitted to the Petroleum Branch.
3. The annual pressure survey required under PM Order No. 30 shall be completed prior to November 1, 1976.
4. This approval expires November 1, 1976, and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented.

Yours sincerely,

  
Jas. T. Cawley, P. Eng.,  
Chairman.

c.c.: J. S. Roper, Deputy Chairman.  
Dr. I. Haugh, Member.  
Petroleum Branch. ✓





DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD

993 Century Street-  
Winnipeg, Manitoba.  
R3H 0W4

Jas. T. Cawley 946-7438  
CHAIRMAN  
J. S. ROPER 946-7859  
DEPUTY CHAIRMAN  
Dr. I. Haugh 633-9543  
MEMBER

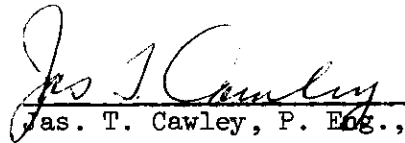
NOTICE

WASKADA FIELD

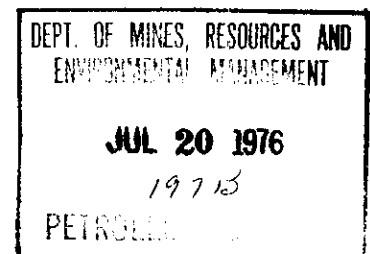
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Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

  
Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

Dated at Winnipeg, Manitoba,  
this 19th day of July, 1976.





Jas. T. Cawley 946-7438  
CHAIRMAN  
J. S. ROPER 946-7859  
DEPUTY CHAIRMAN  
Dr. I. Haugh 633-9543  
MEMBER

DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD

993 Century Street-  
Winnipeg, Manitoba.  
R3H 0W4

76 07 19.

Copperhead Oil Company Limited,  
P.O. Box 1027,  
Virden, Manitoba.  
ROM 2C0

Attention: Mr. Steve Hegion,  
President.

Dear Sir:

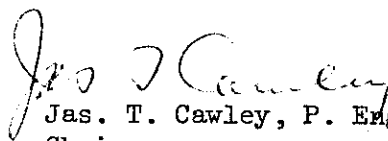
Re: Maximum Permissible Rates  
Waskada Field.

Attached is a copy of a Notice pertaining to Maximum Permissible Rates in the unitized portion of the Waskada Field.

Recent information on the pilot water flood being carried out in Waskada Unit No. 1 would indicate that optimistic tangible results are starting to be felt.

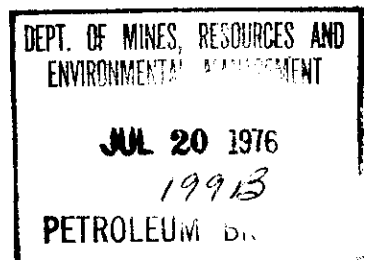
Please submit a statement to the Board prior to October 1, 1976, outlining what future operations, with corresponding timetable, Copperhead has planned with respect to the portion of the field it operates.

Yours sincerely,

  
Jas. T. Cawley, P. Eng.,  
Chairman.

Attachment.

c.c.: J. S. Roper, Deputy Chairman.  
Dr. I. Haugh, Member.  
Petroleum Branch.✓



D/L - Aug. 14/76

consider any submissions regarding the above applications at this hearing. Any persons wishing to make a submission should either contact the Administrative Officer at the hearing or forward their written submission in advance to: Mr. W. Simpkin, Administrative Officer, The

Traffic Board, 1075 Portage Avenue, Winnipeg, Manitoba. R3G 0S1. Phone: 775-0281. Local 191.

W. SIMPKIN,  
Administrative Officer,  
THE TRAFFIC BOARD.

—31

#### UNDER THE MINES ACT

##### WASKADA FIELD

The Oil and Natural Gas Conservation Board has approved an application by Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, to permit the wells in the Unit to be operated under a Unit Maximum Permissible Rate of 300 barrels of oil per day for an interim period.

Any interested party wishing to file

a valid objection in this matter may do so within 14 days of the publishing of this notice, to: Petroleum Branch, 993 Century Street, Winnipeg, Manitoba, R3H 0W4.

Dated at Winnipeg, Manitoba, this 19th day of July, 1976.

JAS. T. CAWLEY, P. Eng.,  
Chairman.

—31

#### PUBLIC NOTICES

#### UNDER THE MUNICIPAL ACT

##### SECRETARY-TREASURER RURAL MUNICIPALITY OF ROSSBURN

The Rural Municipality of Rossburn invites applications for the position of a Secretary-Treasurer with the commencement of duties to be negotiated with the successful applicant. All applications must be submitted by August 6th, 1976, 5:00 P.M.

Written applications to include age, marital status, qualifications, salary ex-

pected, personal references, and an interview appearance if requested.

Salary dependent on qualifications and experience.

For further information if required, contact Reeve John Mitchell or any of the Councillors of the Rural Municipality of Rossburn.

By order of the Council of the Rural Municipality of Rossburn, P. O. Box 100, Rossburn, Manitoba. Phone 859-2779. 6402—31

#### UNDER THE REAL PROPERTY ACT

Notice is hereby given that on or after the 23rd day of August, 1976, I will, upon the registration of a dealing affecting the land hereinafter mentioned, dispense with the production of Certificate of Title No. 983643 issued from the Land Titles Office, Winnipeg, in the name of Adrien Leon Berard, Postal Clerk, and Juliette Berard, his wife, both of the City of St. Boniface, in Manitoba, as joint tenants and not as tenants in common, as registered owner of the following land, namely:—

All that portion of Fractional Section Nineteen in the Ninth Township and

Fourth Range East of the Principal Meridian in Manitoba, shewn as Parcel One on a plan of survey filed in the Winnipeg Land Titles Office as No. 7921, which certificate it is alleged has been lost or destroyed, or I will upon request issue a Provisional Certificate of Title subject to all subsisting registered charges, to replace said Certificate of Title.

Dated at the Land Titles at Winnipeg, this 13th day of July, 1976.

D. L. DYMA,  
Deputy District Registrar.

6394—31

#### UNDER THE TRUSTEE ACT

In the matter of the estate of FREDERICK WILLIAM MURRAY, late of Municipality of East Kildonan, in the Province of Manitoba, Salesman, deceased:

All claims against the above estate, duly verified by Statutory Declaration, must be filed with the undersigned at

his office, 503 - 294 Portage Avenue, Winnipeg, Manitoba, R3C 0B9, on or before the 26th day of August, 1976.

Dated at Winnipeg, in Manitoba, this 16th day of July, 1976.

ARTHUR WORTZMAN,  
Solicitor for the Executrix.

6372—31

consider any submissions regarding the above applications at this hearing. Any persons wishing to make a submission should either contact the Administrative Officer at the hearing or forward their written submission in advance to: Mr. W. Simpkin, Administrative Officer, The

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Any interested party wishing to file

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##### WASKADA FIELD

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JAS. T. CAWLEY, P. Eng.,  
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Dated at Winnipeg, in Manitoba, this 16th day of July, 1976.

ARTHUR WORTZMAN,  
Solicitor for the Executrix.

6372—31

The Oil and Natural Gas  
Conservation Board:  
Jas. T. Cawley, P. Eng., Chairman,  
J. S. Roper, Deputy Chairman,  
I. Haugh, Member.

76 11 30  
H. C. Moster,  
Director,  
Petroleum Branch.

X. 00000

Subject:

Production Allowance Exemption - Waskada Unit No. 1  
Omega Hydrocarbons Ltd.

Omega Hydrocarbons Ltd. in a letter dated November 16, 1976 (copy attached) has made application for extension to November 1, 1977 to the Maximum Permissible Allowance of 300 barrels of oil per day for Waskada Unit No. 1 wells.

Background:

Waskada Unit No. 1 became effective June 1, 1976. A Pilot Waterflood Scheme was initiated on April 2, 1976 by converting the well located on Lsd. 6-30-1-25 to a water injection well (see attached map). Cumulative water injection to the end of September 1976 amounted to 162,578 barrels of water with a maximum well head injection pressure of 260 psig.

Good oil responses to water injection have been experienced on the wells located on Lsd. 4 and 5 of Section 30-1-25 with fair response on 3-30-1-25 and no - poor responses on 11 and 12 of 30-1-25.

In August 1976, water breakthrough occurred in the well located on Lsd. 5-30-1-25. This well so far has shown the most dramatic response to water injection. The early breakthrough was mainly attributed to the high gas saturation in the pool.

The present maximum daily allowance in the Waskada Field is 50 BOPD/well. As flood response started to be felt, Omega applied to the Board to permit the wells in the Unit to be operated under a Unit Maximum Permissible Rate of 300 BOPD. The application was approved for an interim period. Condition 4 of the Board's letter of approval dated July 19, 1976 states:

"4. This approval expires November 1, 1976, and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented."

Discussion:

The evidence in support of the above application can be summarized as follows:

1. The well 5-30-1-25 is currently producing more than the 50 BOPD Field Allowance, with the well 4-30-1-25 expected to exceed the allowance in the very near future.
2. As the reservoir pressure improves, better responses can likely be expected on 3, 11 and 12-30-1-25. In October 1976, Omega carried out a fluid level pressure survey for the subject Unit. The results showed higher reservoir pressure at some of the wells (4 and 5-30-1-25) compared with the estimated average reservoir pressure prior to water injection. Net voidage credit from the start of the flood to the end of September is approximately 148,000 reservoir barrels (water injection volume - total fluid production).
3. Approval of the application will ensure increased oil recovery for the pool. An allowance of 300 BOPD for the entire Unit (6 wells including the injection well) will provide more flexibility of operation rather than imposing the Field Maximum Daily allowance of 50 BOPD/well because to date the Unit wells have shown considerable variation in the degree of response to waterflood.
4. It will also help protect the royalty and working owners interests within the Unit (prevent oil being swept off Unit to non-unit area).

In approving the previous application, the Board caused a notice of application to be advertised for objection by any interested party (notice attached). It is the opinion of this Branch that a similar course of action is not necessary in this case because the notice that had been advertised did not include a time limit. No objection was received after the publication of the notice. A letter, however, should be sent to Copperhead Oil Company Limited to inform them of the Board's granting an extension for Production Allowance Exemption for Waskada Unit No. 1 (Copperhead operates the four oil wells to the immediate south of the subject Unit).

Recommendation:

It is recommended that:

1. The Board grant Omega Hydrocarbons Ltd. permission to operate the Unit under a "Maximum Permissible Rate" of 300 barrels of oil per day for a period ending October 31, 1977. (A draft letter of approval is attached.)
2. Copperhead Oil Company Limited be formally notified of the Board's action under 1. (Draft letter attached.)

H. C. Moster

SE/et  
Attachs.



**HYDROCARBONS Ltd.**

TELEPHONE: (403)261-0743

630 - 330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

November 16, 1976

Department of Mines, Resources  
and Environmental Management  
Mineral Resources Division  
Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4

Attention: Mr. H. C. Moster

Dear Sir:

Re: Waskada Unit No. 1 Order No. 47A

Pursuant to the Oil and Natural Gas Conservation Board approval dated July 19, 1976, Condition 4, Omega herein requests extension of the unit allowable of 300 barrels per day to November 1, 1977.

In support of this request, Omega has experienced response in four of five wells in the unit area. The well located in 12-30-1-25 has not responded with oil production but has shown considerable gas production. However, we are currently looking into the possibility of a pump change and rework.

Breakthrough has occurred in 5-30 following good oil response. Lsd. 4-30 is currently producing on a daily basis greater than 50 barrels per day whereas the other two wells, 3-30 and 11-30 are showing good oil response.

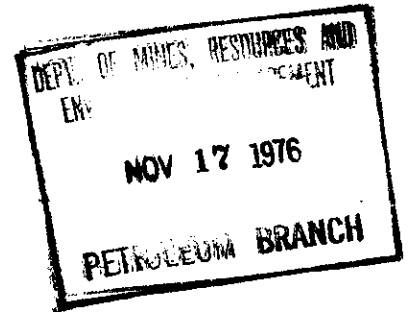
Omega believes that the request for a 300 barrel per day unit allowable is reasonable even though this rate is somewhat higher than expectations. It will provide for flexibility of operation and undoubtedly will account for increased recovery.

Your early approval will be appreciated.

Yours very truly,  
OMEGA HYDROCARBONS LTD.

  
T. J. Hall  
President

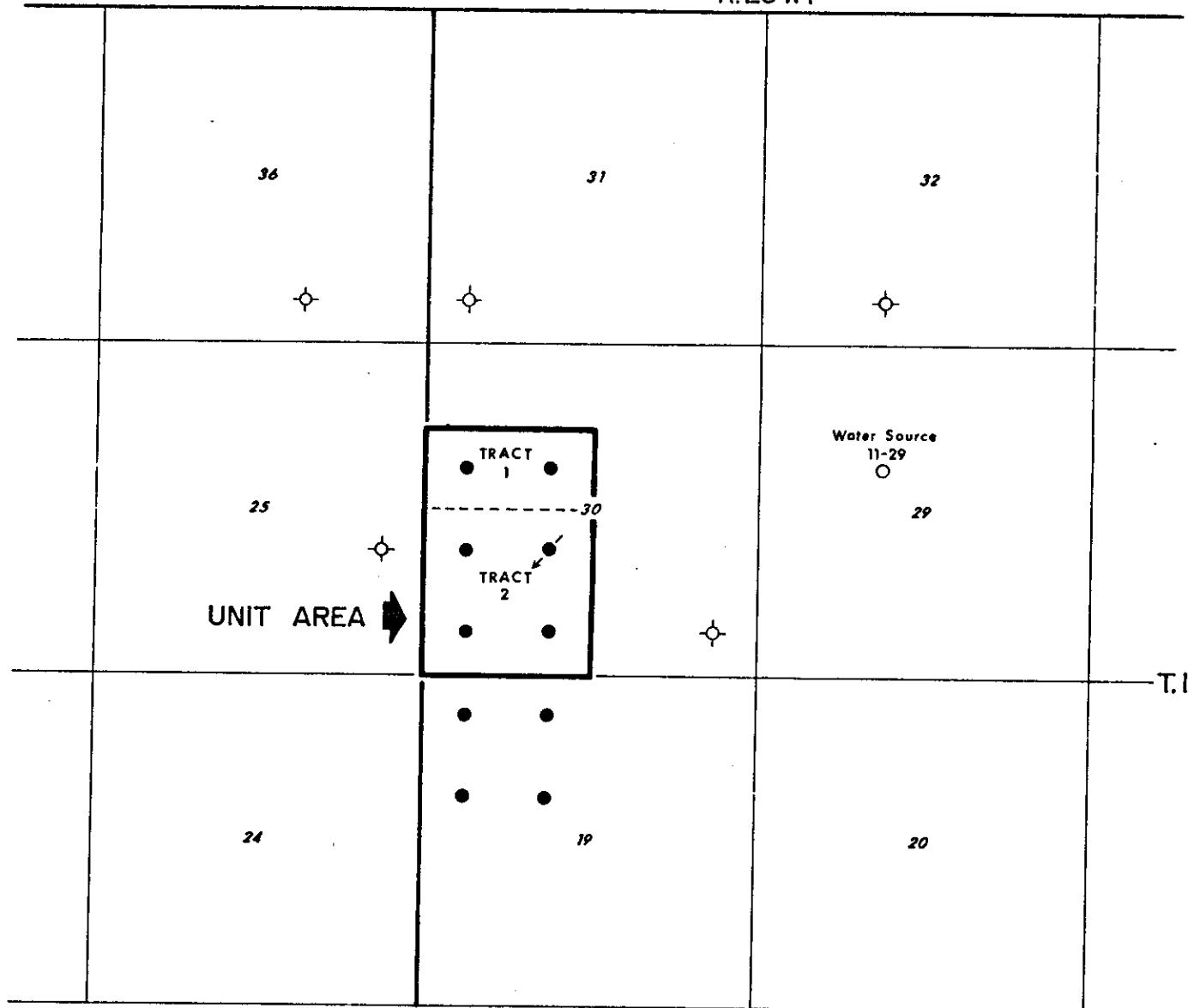
TJH:bcf



# EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED  
"UNIT AGREEMENT - WASKADA UNIT No. 1"

R.25W1



WASKADA UNIT NO. 1

## LEGEND

- PROPOSED INJECTION WELL
- WATER SOURCE WELL
- PRODUCING OIL WELLS
- ⊕ ABANDONED

SCALE: 2" = 1MILE

DATE: DEC. 1975



DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD  
993 Century Street-  
Winnipeg, Manitoba.  
R3H 0W4

Jas. T. Cawley 946-7438  
CHAIRMAN  
J. S. ROPER 946-7859  
DEPUTY CHAIRMAN  
Dr. I. Haugh 633-9543  
MEMBER

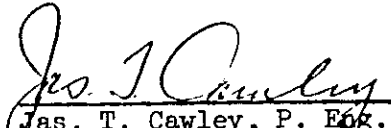
NOTICE

WASKADA FIELD

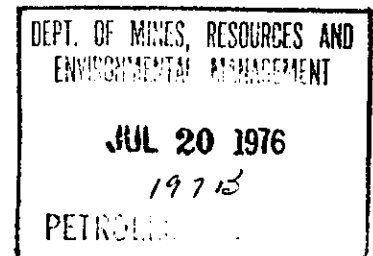
The Oil and Natural Gas Conservation Board has approved an application by Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, to permit the wells in the Unit to be operated under a Unit Maximum Permissible Rate of 300 barrels of oil per day for an interim period.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

  
Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

Dated at Winnipeg, Manitoba,  
this 19th day of July, 1976.



D R A F T O N L Y

November 30, 1976

Omega Hydrocarbons Limited,  
574 - 330 Fifth Avenue S. W.,  
Calgary, Alberta.  
T2P 0L4

Attention: Mr. T. J. Hall,  
President.

Dear Sir:

Re: Waskada Unit No. 1  
Order No. 47A

Pursuant to your application dated November 16, 1976 and in accordance with Subsection 62(9) of The Mines Act, and notwithstanding Section 11 of Manitoba Revised Regulation M160 - R4P, Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, is hereby granted permission to operate the Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission is granted subject to the following conditions:

1. Unit Operations are carried out in accordance with good engineering practice.
2. Gas production rates shall be continuously monitored and the results submitted to the Petroleum Branch.
3. This approval expires November 1, 1977 and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented.

Yours sincerely,

Jas. T. Cawley, P. Eng.,  
Chairman.

SE/et

c.c. J. S. Roper  
I. Haugh  
Petroleum Branch

D R A F T O N L Y

November 30, 1976

Copperhead Oil Company Limited,  
P. O. Box 1027,  
Virden, Manitoba.  
ROM 2C0

Attention: Mr. Steve Hegion,  
President

Dear Sir:

Re: Maximum Permissible Rate  
Waskada Field

The Oil and Natural Gas Conservation Board has granted Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, permission to operate the subject Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission expires November 1, 1977.

If you have any valid objection in this matter, please advise the Board in writing prior to December 15, 1976.

Yours sincerely,

Jas. T. Cawley, P. Eng.,  
Chairman.

SE/et

c.c. J. S. Roper  
I. Haugh  
Petroleum Branch.

# inter-departmental memo

To:

The Oil and Natural Gas  
Conservation Board:  
Jas. T. Cawley, P. Eng., Chairman,  
J. S. Roper, Deputy Chairman,  
I. Haugh, Member.

Date 76 11 30

From H. C. Moster,  
Director,  
Petroleum Branch.

~~Subject~~

## Subject:

Production Allowance Exemption - Waskada Unit No. 1  
Omega Hydrocarbons Ltd.

Omega Hydrocarbons Ltd. in a letter dated November 16, 1976 (copy attached) has made application for extension to November 1, 1977 to the Maximum Permissible Allowance of 300 barrels of oil per day for Waskada Unit No. 1 wells.

## Background:

Waskada Unit No. 1 became effective June 1, 1976. A Pilot Waterflood Scheme was initiated on April 2, 1976 by converting the well located on Lsd. 6-30-1-25 to a water injection well (see attached map). Cumulative water injection to the end of September 1976 amounted to 162,578 barrels of water with a maximum well head injection pressure of 260 psig.

Good oil responses to water injection have been experienced on the wells located on Lsd. 4 and 5 of Section 30-1-25 with fair response on 3-30-1-25 and no - poor responses on 11 and 12 of 30-1-25.

In August 1976, water breakthrough occurred in the well located on Lsd. 5-30-1-25. This well so far has shown the most dramatic response to water injection. The early breakthrough was mainly attributed to the high gas saturation in the pool.

The present maximum daily allowance in the Waskada Field is 50 BOPD/well. As flood response started to be felt, Omega applied to the Board to permit the wells in the Unit to be operated under a Unit Maximum Permissible Rate of 300 BOPD. The application was approved for an interim period. Condition 4 of the Board's letter of approval dated July 19, 1976 states:

"4. This approval expires November 1, 1976, and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented."

Discussion:

The evidence in support of the above application can be summarized as follows:

1. The well 5-30-1-25 is currently producing more than the 50 BOPD Field Allowance, with the well 4-30-1-25 expected to exceed the allowance in the very near future.
2. As the reservoir pressure improves, better responses can likely be expected on 3, 11 and 12-30-1-25. In October 1976, Omega carried out a fluid level pressure survey for the subject Unit. The results showed higher reservoir pressure at some of the wells (4 and 5-30-1-25) compared with the estimated average reservoir pressure prior to water injection. Net voidage credit from the start of the flood to the end of September is approximately 148,000 reservoir barrels (water injection volume - total fluid production).
3. Approval of the application will ensure increased oil recovery for the pool. An allowance of 300 BOPD for the entire Unit (6 wells including the injection well) will provide more flexibility of operation rather than imposing the Field Maximum Daily allowance of 50 BOPD/well because to date the Unit wells have shown considerable variation in the degree of response to waterflood.
4. It will also help protect the royalty and working owners interests within the Unit (prevent oil being swept off Unit to non-unit area).

In approving the previous application, the Board caused a notice of application to be advertised for objection by any interested party (notice attached). It is the opinion of this Branch that a similar course of action is not necessary in this case because the notice that had been advertised did not include a time limit. No objection was received after the publication of the notice. A letter, however, should be sent to Copperhead Oil Company Limited to inform them of the Board's granting an extension for Production Allowance Exemption for Waskada Unit No. 1 (Copperhead operates the four oil wells to the immediate south of the subject Unit).

Recommendation:


It is recommended that:

1. The Board grant Omega Hydrocarbons Ltd. permission to operate the Unit under a "Maximum Permissible Rate" of 300 barrels of oil per day for a period ending October 31, 1977. (A draft letter of approval is attached.)
2. Copperhead Oil Company Limited be formally notified of the Board's action under 1. (Draft letter attached.)



H. C. Moster

SE/et  
Attachs.



OMEGA

HYDROCARBONS LTD.

TELEPHONE: (403)261-0743

630 - 330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

November 16, 1976

Department of Mines, Resources  
and Environmental Management  
Mineral Resources Division  
Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4

Attention: Mr. H. C. Moster

Dear Sir:

Re: Waskada Unit No. 1 Order No. 47A

Pursuant to the Oil and Natural Gas Conservation Board approval dated July 19, 1976, Condition 4, Omega herein requests extension of the unit allowable of 300 barrels per day to November 1, 1977.

In support of this request, Omega has experienced response in four of five wells in the unit area. The well located in 12-30-1-25 has not responded with oil production but has shown considerable gas production. However, we are currently looking into the possibility of a pump change and rework.

Breakthrough has occurred in 5-30 following good oil response. Lsd. 4-30 is currently producing on a daily basis greater than 50 barrels per day whereas the other two wells, 3-30 and 11-30 are showing good oil response.

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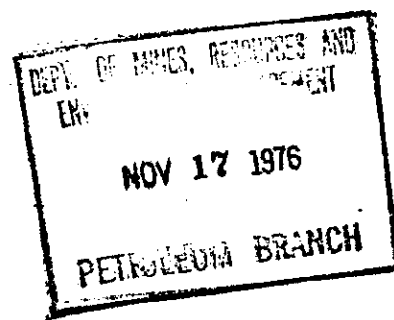
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Yours very truly,  
OMEGA HYDROCARBONS LTD.



T. J. Hall  
President

TJH:bcf

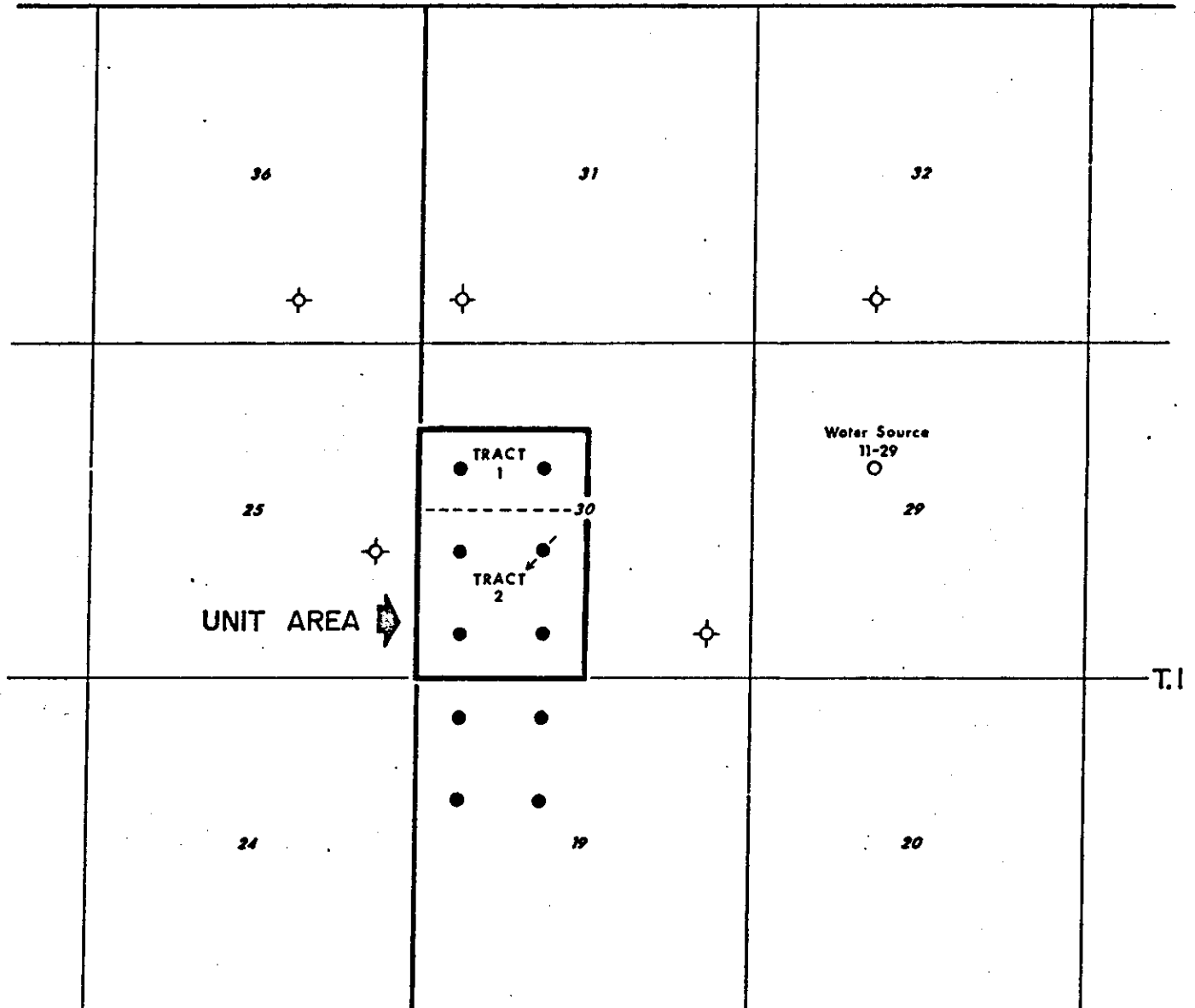


# EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED





"UNIT AGREEMENT - WASKADA UNIT No. 1"

R.25W1



WASKADA UNIT NO. 1

## LEGEND

-  INJECTION WELL
-  WATER SOURCE WELL
-  PRODUCING OIL WELLS
-  ABANDONED

SCALE: 2" = 1 MILE

DATE: DEC. 1975



Jas. T. Cawley 946-7438  
CHAIRMAN  
J. S. ROPER 946-7859  
DEPUTY CHAIRMAN  
Dr. I. Haugh 633-9543  
MEMBER

DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD  
993 Century Street-  
Winnipeg, Manitoba.  
R3H 0W4


NOTICE

WASKADA FIELD

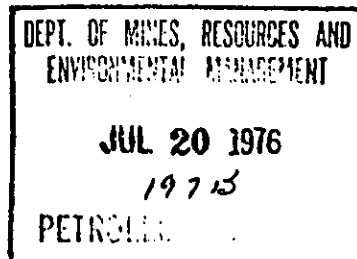
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993 Century Street,  
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R3H 0W4

  
Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

Dated at Winnipeg, Manitoba,  
this 19th day of July, 1976.



D R A F T O N L Y

November 30, 1976

Omega Hydrocarbons Limited,  
574 - 330 Fifth Avenue S. W.,  
Calgary, Alberta.  
T2P 0L4

Attention: Mr. T. J. Hall,  
President.

Dear Sir:

Re: Waskada Unit No. 1  
Order No. 47A

Pursuant to your application dated November 16, 1976 and in accordance with Subsection 62(9) of The Mines Act, and notwithstanding Section 11 of Manitoba Revised Regulation M160 - R4P, Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, is hereby granted permission to operate the Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission is granted subject to the following conditions:

1. Unit Operations are carried out in accordance with good engineering practice.
2. Gas production rates shall be continuously monitored and the results submitted to the Petroleum Branch.
3. This approval expires November 1, 1977 and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented.

Yours sincerely,

Jas. T. Cawley, P. Eng.,  
Chairman.

SE/et

c.c. J. S. Roper  
I. Haugh  
Petroleum Branch

DRAFT ONLY

November 30, 1976

Copperhead Oil Company Limited,  
P. O. Box 1027,  
Virden, Manitoba.  
ROM 2C0

Attention: Mr. Steve Hegion,  
President

Dear Sir:

Re: Maximum Permissible Rate  
Waskada Field

The Oil and Natural Gas Conservation Board has granted Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, permission to operate the subject Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission expires November 1, 1977.

If you have any valid objection in this matter, please advise the Board in writing prior to December 15, 1976.

Yours sincerely,

Jas. T. Cawley, P. Eng.,  
Chairman.

SE/et

c.c. J. S. Roper  
I. Haugh  
Petroleum Branch.



**HYDROCARBONS Ltd.**

TELEPHONE: (403)261-0743

630 - 330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

December 3, 1976

Department of Mines, Resources  
and Environmental Management  
Mineral Resources Division  
Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4

Attention: Mr. H. C. Moster,  
Director Petroleum Branch

Dear Sir:


Re: Waskada Unit No. 1 Order No. 47A

Please refer to our letter dated November 16, 1976 in which Omega requested an extension of the Unit allowable of 300 barrels per day until November 1, 1977.

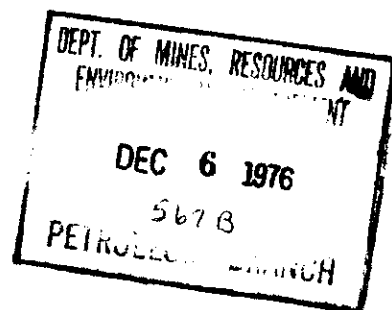
Omega herein requests that the subject application be withdrawn and in its place, we will submit a new application.

We trust that this will not be of any great inconvenience to you and your staff.

Yours very truly,  
OMEGA HYDROCARBONS LTD.

  
T. Jack Hall  
President

TJH:bcf



**Manitoba Regulation 28/69**

*Being The Oil and Natural Gas Conservation Board*

**ORDER NO. 47A**

*Pertaining to the Maximum Permissible Rate of Production in the  
WASKADA FIELD*

*Made and passed pursuant to "The Mines Act", R.S.M., 1954,  
and amendments thereto, by The Oil and Natural Gas Conservation Board.*

*(Filed February 18, 1969)*

1. Until further order, all wells in the Waskada Field shall produce at an average daily rate not to exceed 50 barrels of clean oil, and at a maximum daily allowable rate not to exceed 60 barrels of clean oil, provided, however, that such production rates each shall be reduced through multiplication by
  - (i) the Gas-Oil Ratio Penalty Factor determined in accordance with Schedule A to this Order, and
  - (ii) the Water-Oil Ratio Penalty Factor determined in accordance with Schedule B to this Order.
2. This Order shall not apply to any well that is prohibited from producing, and is shut down by Board Order.
3. This Order may be rescinded by the Board at any time without notice.
4. This Order shall be effective on and from the 1st day of April, 1969, at 12 o'clock noon.

Oil and Natural Gas Order No. 47A, made  
and passed this 4th day of February,  
A.D., 1969, at the City of Winnipeg,  
in the Province of Manitoba, by The  
Oil and Natural Gas Conservation  
Board.

Approved:

"Harry J. Enns"

Harry J. Enns,  
Minister of Mines and Natural Resources

"J. S. Richards"

J. S. Richards,  
Deputy Chairman,  
The Oil and Natural Gas Conservation  
Board

"H. J. Gobert"

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

**\*GAS-OIL RATIO PENALTY FACTOR TABLE  
BEING SCHEDULE "A" TO BOARD ORDER**

No. 47A.

*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor	*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor	*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor	*Gas-Oil Ratio Plus Separator Pressure	Penalty Factor
0	1.00						
1005	0.99	1343	0.74	2022	0.49	4090	0.24
1015	0.98	1361	0.73	2064	0.48	4265	0.23
1026	0.97	1380	0.72	2107	0.47	4455	0.22
1036	0.96	1399	0.71	2153	0.46	4663	0.21
1047	0.95	1419	0.70	2200	0.45	4891	0.20
1058	0.94	1440	0.69	2250	0.44	5142	0.19
1070	0.93	1461	0.68	2301	0.43	5421	0.18
1081	0.92	1482	0.67	2356	0.42	5732	0.17
1093	0.91	1505	0.66	2412	0.41	6081	0.16
1105	0.90	1528	0.65	2472	0.40	6474	0.15
1118	0.89	1551	0.64	2535	0.39	6923	0.14
1130	0.88	1576	0.63	2601	0.38	7438	0.13
1143	0.87	1601	0.62	2670	0.37	8035	0.12
1156	0.86	1627	0.61	2743	0.36	8737	0.11
1170	0.85	1654	0.60	2821	0.35	9574	0.10
1184	0.84	1682	0.59	2903	0.34	10588	0.09
1198	0.83	1711	0.58	2990	0.33	11842	0.08
1212	0.82	1740	0.57	3082	0.32	13432	0.07
1227	0.81	1771	0.56	3180	0.31	15517	0.06
1243	0.80	1803	0.55	3284	0.30	18367	0.05
1258	0.79	1836	0.54	3396	0.29	22500	0.04
1274	0.78	1871	0.53	3515	0.28	29032	0.03
1291	0.77	1906	0.52	3643	0.27	40909	0.02
1308	0.76	1943	0.51	3781	0.26	69230	0.01
1325	0.75	1982	0.50	3930	0.25	225000	
1343		2022		4090			

**NOTE \*** **GAS-OIL RATIO:** Total separator gas-oil ratio, cubic feet per barrel (average for last previous producing month).

**SEPARATOR PRESSURE:** Pounds per square inch guage (average for last previous producing month). For multi stage separators, use lowest separator pressure.

**PENALTY FACTOR:** Gas-oil ratio penalty factor (to apply to current month) Use the total of Gas-Oil Ratio plus Separator Pressure to obtain Penalty Factor.

To obtain Penalty Factor for an exact Gas-Oil Ratio plus Separator Pressure total set out in table, read upper Penalty Factor. For example:-

for Gas Oil Ratio plus Separator Pressure = 1081 Penalty Factor = 0.93

To obtain Penalty Factor for Gas Oil Ratio plus Separator Pressure values between tabulated values do not interpolate. Use Factor opposite. For example:-

for any Gas-Oil Ratio plus Separator Pressure total from 1082 to 1093 inclusive, Penalty Factor = 0.92

Penalty Factors to be read to two figures only. Do not interpolate.

**\*WATER-OIL RATIO PENALTY FACTOR TABLE  
BEING SCHEDULE "B" TO BOARD ORDER**

No. 47 A.

*Water-Oil Ratio	Penalty Factor	*Water-Oil Ratio	Penalty Factor	*Water-Oil Ratio	Penalty Factor	*Water-Oil Ratio	Penalty Factor
0.0000	1.00						
0.0199	0.99	0.6865	0.74	2.0449	0.49	6.1818	0.24
0.0316	0.98	0.7231	0.73	2.1284	0.48	6.5308	0.23
0.0524	0.97	0.7607	0.72	2.2154	0.47	6.9108	0.22
0.0737	0.96	0.7993	0.71	2.3062	0.46	7.3264	0.21
0.0954	0.95	0.8391	0.70	2.4009	0.45	7.7826	0.20
0.1176	0.94	0.8800	0.69	2.5000	0.44	8.2857	0.19
0.1403	0.93	0.9220	0.68	2.6035	0.43	8.8433	0.18
0.1634	0.92	0.9654	0.67	2.7120	0.42	9.4649	0.17
0.1871	0.91	1.0100	0.66	2.8257	0.41	10.1621	0.16
0.2113	0.90	1.0560	0.65	2.9450	0.40	10.9496	0.15
0.2360	0.89	1.1034	0.64	3.0704	0.39	11.8461	0.14
0.2613	0.88	1.1523	0.63	3.2023	0.38	12.8760	0.13
0.2871	0.87	1.2028	0.62	3.3412	0.37	14.0714	0.12
0.3136	0.86	1.2549	0.61	3.4878	0.36	15.4757	0.11
0.3407	0.85	1.3088	0.60	3.6426	0.35	17.1489	0.10
0.3684	0.84	1.3644	0.59	3.8064	0.34	19.1764	0.09
0.3968	0.83	1.4220	0.58	3.9800	0.33	21.6842	0.08
0.4258	0.82	1.4816	0.57	4.1643	0.32	24.8656	0.07
0.4556	0.81	1.5433	0.56	4.3604	0.31	29.0344	0.06
0.4861	0.80	1.6072	0.55	4.5693	0.30	34.7346	0.05
0.5174	0.79	1.6734	0.54	4.7924	0.29	43.0000	0.04
0.5495	0.78	1.7422	0.53	5.0312	0.28	56.0645	0.03
0.5824	0.77	1.8135	0.52	5.2874	0.27	79.8181	0.02
0.6162	0.76	1.8876	0.51	5.5630	0.26	136.4615	0.01
0.6509	0.75	1.9647	0.50	5.8602	0.25	448.0000	
0.6865		2.0449		6.1818			

**NOTE \*** WATER-OIL RATIO: Barrel per barrel (average for last previous producing month).

**PENALTY FACTOR:** \*Water-oil ratio penalty factor (to apply to current month).

To obtain Penalty Factor for an exact \*Water-Oil Ratio value set out in table, read upper penalty factor. For example:-

for \*Water-Oil Ratio = 0.1871 Penalty Factor = 0.92

To obtain Penalty Factor for \*Water-Oil Ratio values between tabulated values do not interpolate. Use Factor opposite. For example:- for any \*Water-Oil Ratio from 0.1872 to 0.2113 inclusive Penalty Factor = 0.91

Penalty Factors to be read to two figures only. Do not interpolate.

\*Water must include all water and BS & W produced by the well.

The Oil and Natural Gas  
Conservation Board:  
Jas. T. Canley, P. Eng., Chairman,  
J. S. Roper, Deputy Chairman,  
Dr. I. Haugh, Member.

76 12 08  
H. C. Moster,  
Director,  
Petroleum Branch.

**Exemption from Allowable Restrictions**

**Waskada Unit No. 1 - Omega Hydrocarbons Ltd.  
Manitoba Revised Regulation M160 - RAP (Section 11)**

Attached is a copy of an application from Omega Hydrocarbons Ltd.  
for allowable exemption for the wells in Waskada Unit No. 1.

Board Order No. 47A (Manitoba Regulation 28/69) replaced by  
Section 11 of Manitoba Revised Regulation M160 - RAP restricts the pro-  
duction rate of the wells in the Waskada Field to an average of 50 BOPD.

On application, the Board granted Omega temporary exemption  
from this restriction pending further evaluation of the waterflood (copy  
of letter 76 07 19 attached).

**Recommendation:**

The attached Notice be signed and returned to the Branch for  
publishing in The Manitoba Gazette and Milita New Era plus a copy will  
be sent directly to Copperhead Oil Company Limited (the other operating  
company in the Waskada Field, "non-unit").

H. C. Moster

HCM/et  
Attachs.



DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD  
993 Century Street  
Winnipeg  
R3H 0W4

Jas. T. Cawley, P. Eng.  
CHAIRMAN 946-7438  
J. S. ROPER  
DEPUTY CHAIRMAN 946-7859  
Dr. I. Haugh  
MEMBER 633-9543

NOTICE

WASKADA FIELD

Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, has made application to The Oil and Natural Gas Conservation Board to exempt wells in the Unit from maximum permissible rate of production restrictions.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

DATED at Winnipeg, Manitoba, this                      day of

---

J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.



Jas. T. Cawley, P. Eng.  
CHAIRMAN 946-7438  
J. S. ROPER  
DEPUTY CHAIRMAN 946-7859  
Dr. I. Haugh  
MEMBER 633-9543

DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
• THE OIL AND NATURAL GAS CONSERVATION BOARD  
993 Century Street  
Winnipeg  
R3H 0W4

NOTICE

WASKADA FIELD

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Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

DATED at Winnipeg, Manitoba, this                      day of

---

J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

**OMEGA**

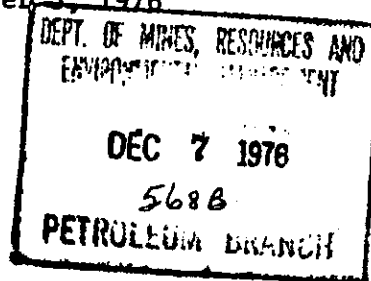
TELEPHONE: (403)261-0743

**HYDROCARBONS Ltd.**

630 - 330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

Department of Mines, Resources  
and Environmental Management  
Mineral Resources Division  
Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4

December 3, 1976



Attention: Mr. H. C. Moster, Director Petroleum Branch

Dear Sir:

Re: Waskada Unit No. 1 Order No. 47A

Pursuant to the Oil and Natural Gas Conservation Board approval dated July 19, 1976 as per Condition 4, Omega herein submits an application for exemption from allowable restriction under Section II of the Manitoba Revised Regulations M160 - R4P.


In support of this application, Omega submits the following:

1. Management has sufficient evidence of waterflood response in all wells except in Lsd. 12-30-1-25 and this may have been caused by mechanical down hole problems. A recent bottom hole pump replacement has given some encouragement that flood response is imminent.
2. Breakthrough has occurred at Lsd. 5-30-1-25 following good early response. Water production is being handled without difficulty and it is being reinjected into the water injection system which is functioning favourably.
3. The wells located at Lsd. 3, 4 and 11-30-1-25 are responding favourably to the flood program and this is expected to continue.
4. Omega has taken steps to increase treating facilities and enlarge tankage in order that maximum fluid pumping capacity can be handled at the battery site.
5. All leases and the water injection station are being converted to electrical power and this should be completed by the end of the first week of December.

In view of the above mentioned flood response, improved battery facilities and wellsite equipment, Omega believes that this application for exemption from allowable restriction is reasonable. It will facilitate loss of oil from the unit area, improve recovery of oil to the unit and provide for flexibility of operation.

Your early approval will be appreciated.

Yours very truly,  
OMEGA HYDROCARBONS LTD.



T. Jack Hall  
President

TJH:bcf



Jas. T. Cawley 946-7438  
CHAIRMAN  
J. S. ROPER 946-7859  
DEPUTY CHAIRMAN  
Dr. I. Haugh 633-9543  
MEMBER

DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD

993 Century Street-  
Winnipeg, Manitoba.  
R3H 0W4

76 07 19.

Omega Hydrocarbons Limited,  
574 - 330 Fifth Avenue S.W.,  
Calgary, Alberta.  
T2P 0L4

Attention: Mr. T. J. Hall,  
President.


Dear Sir:

Re: Waskada Unit No. 1  
Order No. 47A.

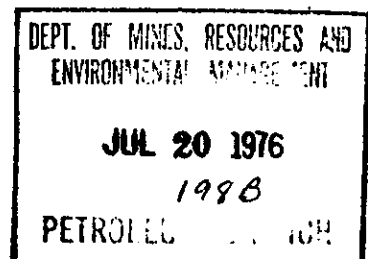
Pursuant to your application dated June 30, 1976, and in accordance with Subsection 62(9) of The Mines Act, and notwithstanding Section 11 of Manitoba Revised Regulation M160-R4P, Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, is hereby granted permission to operate the Unit under a "Unit Maximum Permissible Rate" of 300 barrels of oil per day. The permission is granted subject to the following conditions:

1. Unit operations are carried out in accordance with good engineering practice.
2. Gas production rates shall be continuously monitored and the results submitted to the Petroleum Branch.
3. The annual pressure survey required under PM Order No. 30 shall be completed prior to November 1, 1976.
4. This approval expires November 1, 1976, and may be terminated by the Board at any time. An extension may be granted if sufficient evidence supporting such a request is presented.

Yours sincerely,

  
Jas. T. Cawley, P. Eng.,  
Chairman.

c.c.: J. S. Roper, Deputy Chairman.  
Dr. I. Haugh, Member.  
Petroleum Branch. ✓



SAMPLE

Manitoba Regulation 156/76

THE OIL AND NATURAL GAS CONSERVATION BOARD  
ORDER NO. 64A

*Pertaining to the Maximum Permissible Rate of Production in the  
DALY FIELD*

*Made and Passed Pursuant to "The Mines Act", Cap. M160, of the  
Continuing Consolidation of the Statutes of Manitoba, by The  
Oil and Natural Gas Conservation Board of Manitoba*

(Filed July 12, 1976)

1. The Oil and Natural Gas Conservation Board Order No. 62A, being Manitoba Regulation 100/74 is repealed.
2. The Oil and Natural Gas Conservation Board Order No. 63A, being Manitoba Regulation 31/75 is repealed.
3. Manitoba Revised Regulation M160—R4P is amended
  - (a) by striking out the word and figure "subsection (4)" in the first line of subsection 1(1) thereof and substituting therefor the words and figures "subsections (4), (5) and (6)";
  - (b) by striking out the words and figures "Order No. 13A, being subsections (1), (2), and (3)" in the second and third lines of subsection 1(4) thereof and substituting therefor the words and figures "subsections (1) and (3)"; and
  - (c) by adding thereto immediately after subsection 1(4) thereof, the following subsections:

"1(5) The producing wells, located in the S.E.¼ of Section 3, Township 10, Range 28 WPM in the Daly Field, shall be exempt from the provisions of subsections (1) and (3) for the period during which Order No. PM 24, being Manitoba Regulation 98/74 is in effect.

1(6) Until further order, the wells comprising Daly Unit No. 3 are exempt from the provisions of subsections (1) and (3)."

Oil and Natural Gas Order No. 64A,  
made and passed this 14th day of  
June, A.D., 1976, at the City  
of Winnipeg, in the Province of  
Manitoba, by The Oil and Natural  
Gas Conservation Board.

Approved:

"S. Green"

Sidney Green,  
Minister of Mines, Resources and  
Environmental Management.

"J.S. Roper"

J.S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

"Jas. T. Cawley"

Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

"Ian Haugh"

Dr. I. Haugh,  
Member,  
The Oil and Natural Gas  
Conservation Board.

Jas. T. Sawley, P. Eng.  
946-7438  
946-7859  
Dr. I. Haugh  
633-9443

993 Century Street  
Winnipeg  
R3H 0W4

NOTICE

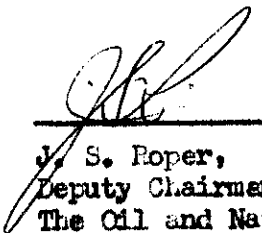
WASKADA FIELD

Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, has made application to The Oil and Natural Gas Conservation Board to exempt wells in the Unit from maximum permissible rate of production restrictions.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

DATED at Winnipeg, Manitoba, this 10<sup>th</sup> day of December

  
J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

76 12 10.

Office of the Queen's Printer,  
200 Vaughan Street.

H. C. Moster,  
Director, Petroleum Branch,  
Mineral Resources Division,  
Dept. of M.R.E.M.,  
993 Century Street.

UNDER THE MINES ACT - WASKADA FIELD.

Please have the attached notice inserted in the December 18,  
1976, issue of the Manitoba Gazette.

JSR/dw

Attachment.



H. C. Moster.

b.c.: J. S. Roper.

ADVERTISING  
AND  
PRODUCTION

# REQUISITION

REQ No 3927  
APP. No.: 12-3B-2  
DATE: 76 11 12

ADVERTISING/PRODUCTION BELOW ARE REQUIRED FOR:

TO: ADVERTISING AUDIT OFFICE  
PROVINCE OF MANITOBA

DEPT: M., R. & E. M.  
ADDRESS: Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4  
PHONE: 633-9543 (Ext. 252)

INSTRUCTIONS	NEWSPAPER: DAILY <input type="checkbox"/> WEEKLY <input checked="" type="checkbox"/> RADIO <input type="checkbox"/> T.V. <input type="checkbox"/> OTHER <input type="checkbox"/>	A.A.O. USE ONLY
<p>SUPPLY DETAILED INFORMATION ON PUBLICATIONS/STATIONS INSERTION DATES, POSITION REQUESTED ETC.</p> <p>ATTACH COPY OF SEPARATE SHEET IN SUFFICIENT NUMBER.</p> <p>FORWARD TWO (2) COPIES OF THIS FORM TO THE ADVERTISING AUDIT OFFICE</p>	<p>DESCRIPTION:</p> <p>Please have the attached Notice inserted in the next issue of the following newspaper:</p> <p>Milita New Era</p> <div data-bbox="560 850 950 1144"></div>	

Recommended By

H. C. Moster

NAME: Please Type or Print

*H. C. Moster*

SIGNATURE

MINISTER OR DEPUTY MINISTER

The Oil and Natural Gas  
Conservation Board:  
Jas. T. Cawley, P. Eng., Chairman,  
J. S. Roper, Deputy Chairman,  
Dr. I. Haugh, Member.

77 01 13

H. C. Moster,  
Director,  
Petroleum Branch.

XXXXXX

Subject:

Order No. 65A — Maximum Permissible Rate - Waskada Unit No. 1

Background:

A waterflood pressure maintenance scheme was initiated in the Waskada Field by Omega Hydrocarbons Ltd. on 76 04 02 under Oil and Natural Gas Board Order No. PM 30. Waskada Unit No. 1 was formed effective 76 06 01 under Oil and Natural Gas Board Unit Order No. 22. On application the Board granted Omega a temporary "Unit Maximum Permissible Rate" of 300 barrels of oil per day on 76 07 19. Omega applied on 76 12 03 for exemption of the wells in the Unit from allowable restrictions. A notice of the application was advertised for objections and no objections were received.

Recommendation:

That the attached Order No. 65A and Certificate be signed and returned to the Petroleum Branch for final disposition.

H. C. Moster

HCM/et  
Attachs.

**Wilgosh to Beesley**

I, Helen Thea Beesley, of the City of Winnipeg, Dispatcher, have been issued a Legal Change of Name Certificate for my unmarried infant child, Karen Lynn Mary Wilgosh changed to Karen Lynn Mary Beesley.

Date: December 2, 1976.

11512—51

**Young to Young**

I, Deborah Ann Young, of the City of Winnipeg, Student, have been issued a Legal Change of Name Certificate to Deborah Ann Czaplynsky Young.

Date: November 30, 1976.

11513—51

L. L. DESJARDINS,

Minister of Health & Social Development.

**UNDER THE HIGHWAY TRAFFIC ACT**

Notice is hereby given that the following applications have been received by the Manitoba Highway Transport Board.

**Peter Enns & Sons,**  
o/a Carberry Transfer,  
Carberry, Manitoba.

Application for an extension of Public Service Vehicle Certificate for authority to transport potatoes for and on behalf of the Carnation Food Company Limited from various points in Alberta to Carberry, Manitoba.

**Bloodvein Band Foundation, Inc.,**  
Bloodvein, Manitoba.

Application for Public Service Vehicle Certificate for the transportation of general freight and fuel:

1. to and from Winnipeg and Bloodvein, via Highway No. 8 and No. 234 for furtherance by ferry during summer months, and;

2. from Winnipeg to and from the Bloodvein Indian Reserve, Berens River,

Little Grand Rapids Indian Reserve, and Pauingassi Settlement, via Highways No. 59, 219, and 304 for furtherance by Winter Road Corridor authority only with no pick up or drop offs between the above named four points.

Anyone wishing to make representation or oppose the granting of the above applications, must file such notice with the Secretary of the Board, either by mail or personal filing not later than 4:30 p.m., Tuesday, January 4, 1977.

Notices received after this date, will not be accepted.

Subsequent to the above date, the Board will set the date the applications will be heard and advise the applicant and those opposing of the time, date and place of the Hearing.

L. G. OLIJNEK,  
Secretary.

THE HIGHWAY TRANSPORT  
BOARD.

—51

**UNDER THE MINES ACT**

To: All Purchasers of Manitoba Crude Oil.

Re: Nominations for Crude Oil.

All persons intending to purchase Manitoba crude oil in the month of February, will be required to file a nomination with the Petroleum Branch, Department of Mines, Resources and Environmental Management on or before January 16, 1977.

Copies of nomination forms may be obtained from the Petroleum Branch, Department of Mines, Resources and Environmental Management.

No public inquiry will be held.

A tabulation of the said nomination will be published in Crude Oil and Water Production Statistics.

Dated at Winnipeg, Manitoba, this 1st day of December, 1976.

H. C. MOSTER,  
Director,  
Petroleum Branch.

—51

**WASKADA FIELD**

Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, has made application to The Oil and Natural Gas Conservation Board to exempt wells in the Unit from maximum permissible rate of production restrictions.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to: Petroleum Branch, 933 Century Street, Winnipeg, Manitoba, R3H 0W4.

Dated at Winnipeg, Manitoba, this 10th day of December, 1976.

J. S. ROPER,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board

—51



DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD  
993 Century Street  
Winnipeg  
R3H 0W4

Jas. T. Cawley, P. Eng.  
CHAIRMAN 946-7438  
J. S. ROPER  
DEPUTY CHAIRMAN 946-7859  
Dr. I. Haugh  
MEMBER 633-9543

NOTICE

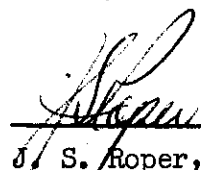
WASKADA FIELD

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Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

DATED at Winnipeg, Manitoba, this 10<sup>th</sup> day of December 1976

  
\_\_\_\_\_  
J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.



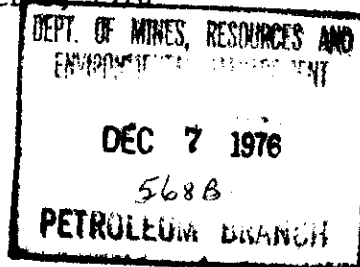
**HYDROCARBONS Ltd.**

TELEPHONE: (403)261-0743

630 - 330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

December 3, 1976

Department of Mines, Resources  
and Environmental Management  
Mineral Resources Division  
Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4



Attention: Mr. H. C. Moster, Director Petroleum Branch

Dear Sir:

Re: Waskada Unit No. 1 Order No. 47A

Pursuant to the Oil and Natural Gas Conservation Board approval dated July 19, 1976 as per Condition 4, Omega herein submits an application for exemption from allowable restriction under Section II of the Manitoba Revised Regulations M160 - R4P.


In support of this application, Omega submits the following:

1. Management has sufficient evidence of waterflood response in all wells except in Lsd. 12-30-1-25 and this may have been caused by mechanical down hole problems. A recent bottom hole pump replacement has given some encouragement that flood response is imminent.
2. Breakthrough has occurred at Lsd. 5-30-1-25 following good early response. Water production is being handled without difficulty and it is being reinjected into the water injection system which is functioning favourably.
3. The wells located at Lsd. 3, 4 and 11-30-1-25 are responding favourably to the flood program and this is expected to continue.
4. Omega has taken steps to increase treating facilities and enlarge tankage in order that maximum fluid pumping capacity can be handled at the battery site.
5. All leases and the water injection station are being converted to electrical power and this should be completed by the end of the first week of December.

In view of the above mentioned flood response, improved battery facilities and wellsite equipment, Omega believes that this application for exemption from allowable restriction is reasonable. It will facilitate loss of oil from the unit area, improve recovery of oil to the unit and provide for flexibility of operation.

Your early approval will be appreciated.

Yours very truly,  
OMEGA HYDROCARBONS LTD.

  
T. Jack Hall  
President

TJH:bcf

DATE: 77 01 14

MANIT<sup>BA</sup>

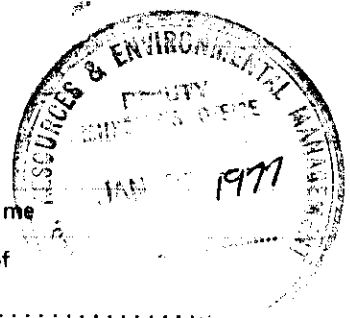
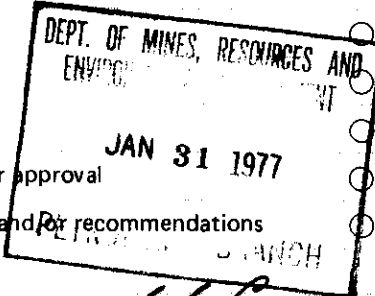
TO: J. S. Roper

FROM: H. C. Moster

*To Mr. Cawley & To Mr. Green*

*from d.R.*

- |  |  |
|--|--|
| <input type="radio"/> Take action                              | <input type="radio"/> Circulate                    |
| <input type="radio"/> Per your request                         | <input type="radio"/> See me re attached           |
| <input type="radio"/> Call me on this matter                   | <input type="radio"/> For your information         |
| <input type="radio"/> Investigate and report                   | <input type="radio"/> Supply data for my reply     |
| <input type="radio"/> For your revision and/or approval        | <input type="radio"/> Reply direct with copy to me |
| <input type="radio"/> Return with comments and recommendations | <input type="radio"/> Draft reply for signature of |



COMMENTS: *Recommended for signature*

For your approval and forwarding to Chairman.

*6065C*

*1/10/24 J. Erickson - Plse return to me when the Order  
& Certificate have been signed & I will return  
to H C Moster*

Province of Manitoba

## inter-departmental memo

To:

The Oil and Natural Gas  
Conservation Board:→ Jas. T. Cawley, P. Eng., Chairman,  
→ J. S. Roper, Deputy Chairman,  
Dr. I. Haugh, Member.

Date 77 01 13

From

H. C. Moster,  
Director,  
Petroleum Branch.~~Subject:~~Subject:

Order No. 65A -- Maximum Permissible Rate - Waskada Unit No. 1

Background:

A waterflood pressure maintenance scheme was initiated in the Waskada Field by Omega Hydrocarbons Ltd. on 76 04 02 under Oil and Natural Gas Board Order No. PM 30. Waskada Unit No. 1 was formed effective 76 06 01 under Oil and Natural Gas Board Unit Order No. 22. On application the Board granted Omega a temporary "Unit Maximum Permissible Rate" of 300 barrels of oil per day on 76 07 19. Omega applied on 76 12 03 for exemption of the wells in the Unit from allowable restrictions. A notice of the application was advertised for objections and no objections were received.

Recommendation:

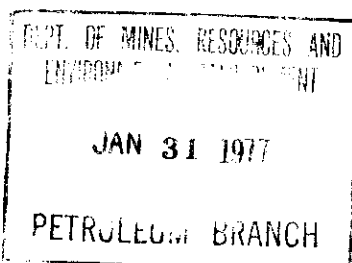
That the attached Order No. 65A and Certificate be signed and returned to the Petroleum Branch for final disposition.



H. C. Moster

HCM/et

Attachs.



First Fold



DEPARTMENT OF MINES, RESOURCES  
& ENVIRONMENTAL MANAGEMENT  
THE OIL AND NATURAL GAS CONSERVATION BOARD  
993 Century Street  
Winnipeg  
R3H 0W4

Jas. T. Cawley, P. Eng.  
CHAIRMAN 946-7438  
J. S. ROPER  
DEPUTY CHAIRMAN 946-7859  
Dr. I. Haugh  
MEMBER 633-9543

NOTICE

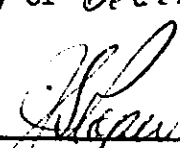
WASKADA FIELD

Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, has made application to The Oil and Natural Gas Conservation Board to exempt wells in the Unit from maximum permissible rate of production restrictions.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to:

Petroleum Branch,  
993 Century Street,  
Winnipeg, Manitoba.  
R3H 0W4

DATED at Winnipeg, Manitoba, this 10<sup>th</sup> day of December 1976

  
\_\_\_\_\_  
J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

**Wilgosh to Beesley**

I, Helen Thea Beesley, of the City of Winnipeg, Dispatcher, have been issued a Legal Change of Name Certificate for my unmarried infant child, Karen Lynn Mary Wilgosh changed to Karen Lynn Mary Beesley.  
Date: December 2, 1976.  
11512—51

**Young to Young**

I, Deborah Ann Young, of the City of Winnipeg, Student, have been issued a Legal Change of Name Certificate to Deborah Ann Czaplynsky Young.  
Date: November 30, 1976.  
11513—51

L. L. DESJARDINS,

Minister of Health & Social Development.

**UNDER THE HIGHWAY TRAFFIC ACT**

Notice is hereby given that the following applications have been received by the Manitoba Highway Transport Board.  
Peter Enns & Sons,  
o/a Carberry Transfer,  
Carberry, Manitoba.

Application for an extension of Public Service Vehicle Certificate for authority to transport potatoes for and on behalf of the Carnation Food Company Limited from various points in Alberta to Carberry, Manitoba.  
Bloodvein Band Foundation, Inc.,  
Bloodvein, Manitoba.

Application for Public Service Vehicle Certificate for the transportation of general freight and fuel:

1. to and from Winnipeg and Bloodvein, via Highway No. 8 and No. 234 for furtherance by ferry during summer months, and;
2. from Winnipeg to and from the Bloodvein Indian Reserve, Berens River,

Little Grand Rapids Indian Reserve, and Pauingassi Settlement, via Highways No. 59, 219, and 304 for furtherance by Winter Road Corridor authority only with no pick up or drop offs between the above named four points.

Anyone wishing to make representation or oppose the granting of the above applications, must file such notice with the Secretary of the Board, either by mail or personal filing not later than 4:30 p.m., Tuesday, January 4, 1977.

Notices received after this date, will not be accepted.

Subsequent to the above date, the Board will set the date the applications will be heard and advise the applicant and those opposing of the time, date and place of the Hearing.

L. G. OLJNEK,  
Secretary.

THE HIGHWAY TRANSPORT  
BOARD.

—51

**UNDER THE MINES ACT**

To: All Purchasers of Manitoba Crude Oil.

Re: Nominations for Crude Oil.

All persons intending to purchase Manitoba crude oil in the month of February, will be required to file a nomination with the Petroleum Branch, Department of Mines, Resources and Environmental Management on or before January 16, 1977.

Copies of nomination forms may be obtained from the Petroleum Branch, Department of Mines, Resources and Environmental Management.

No public inquiry will be held.

A tabulation of the said nomination will be published in Crude Oil and Water Production Statistics.

Dated at Winnipeg, Manitoba, this 1st day of December, 1976.

H. C. MOSTER,  
Director,  
Petroleum Branch.

—51

**WASKADA FIELD**

Omega Hydrocarbons Ltd., as Unit Operator of Waskada Unit No. 1, has made application to The Oil and Natural Gas Conservation Board to exempt wells in the Unit from maximum permissible rate of production restrictions.

Any interested party wishing to file a valid objection in this matter may do so within 14 days of the publishing of this notice, to: Petroleum Branch, 933 Century Street, Winnipeg, Manitoba, R3H 0W4.

Dated at Winnipeg, Manitoba, this 10th day of December, 1976.

J. S. ROPER,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

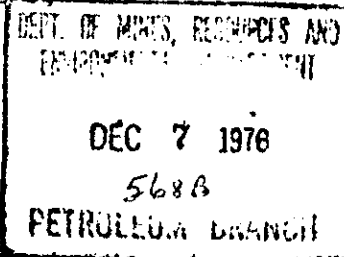
—51



630-330 FIFTH AVENUE S.W., CALGARY, ALBERTA T2P 0L4

December 3, 1976

Department of Mines, Resources  
and Environmental Management  
Mineral Resources Division  
Petroleum Branch  
993 Century Street  
Winnipeg, Manitoba R3H 0W4



Attention: Mr. H. C. Moster, Director Petroleum Branch

Dear Sir:

Re: Waskada Unit No. 1 Order No. 47A

Pursuant to the Oil and Natural Gas Conservation Board approval dated July 19, 1976 as per Condition 4, Omega herein submits an application for exemption from allowable restriction under Section II of the Manitoba Revised Regulations M160 - R4P.

- In support of this application, Omega submits the following:
1. Management has sufficient evidence of waterflood response in all wells except in Lsd. 12-30-1-25 and this may have been caused by mechanical down hole problems. A recent bottom hole pump replacement has given some encouragement that flood response is imminent.
  2. Breakthrough has occurred at Lsd. 5-30-1-25 following good early response. Water production is being handled without difficulty and it is being reinjected into the water injection system which is functioning favourably.
  3. The wells located at Lsd. 3, 4 and 11-30-1-25 are responding favourably to the flood program and this is expected to continue.
  4. Omega has taken steps to increase treating facilities and enlarge tankage in order that maximum fluid pumping capacity can be handled at the battery site.
  5. All leases and the water injection station are being converted to electrical power and this should be completed by the end of the first week of December.

In view of the above mentioned flood response, improved battery facilities and wellsite equipment, Omega believes that this application for exemption from allowable restriction is reasonable. It will facilitate loss of oil from the unit area, improve recovery of oil to the unit and provide for flexibility of operation.

Your early approval will be appreciated.

Yours very truly,  
OMEGA HYDROCARBONS LTD.

  
T. Jack Hall  
President

TJH:bcf

7/77

th Services Act to Amend  
s Amended by  
'32/76

(Filed February 1, 1977)

ing out subsection 4(1) thereof and

l Health Services Act, beneficiaries  
Act shall be in accordance with the

for dental services  
e end of the year

1982  
1983

Manitoba Regulation 28/77

THE OIL AND NATURAL GAS CONSERVATION BOARD  
ORDER NO. 65A

*Pertaining to the Maximum Permissible Rate of Production in the  
WASKADA FIELD*

*Made and Passed Pursuant to "The Mines Act", Cap. M160, of the  
Continuing Consolidation of the Statutes of Manitoba, by The  
Oil and Natural Gas Conservation Board, of Manitoba*

(Filed February 3, 1977)

Manitoba Revised Regulation M160 — R4P is amended by adding thereto immediately after  
subsection 11(2) thereof, the following subsection:

"11(3) Until further order, the wells comprising Waskada Unit No. 1 are exempt from  
the provisions of subsection (1)."

Oil and Natural Gas Order No. 65A,  
made and passed this 27th day of  
January A.D., 1977, at the City  
of Winnipeg, in the Province of  
Manitoba, by The Oil and Natural  
Gas Conservation Board.

Approved:

"S. Green"

Sidney Green,  
Minister of Mines, Resources and  
Environmental Management.

"Jas. T. Cawley"

Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

"J.S. Roper"

J.S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

"Ian Haugh"

Dr. I. Haugh,  
Member,  
The Oil and Natural Gas  
Conservation Board.

February 14, 1977

Omega Hydrocarbons Ltd.  
630 One Calgary Place  
330 - 17th Avenue S. W.  
Calgary, Alberta  
T2P 0L4

Attention: Mr. T. J. Hall  
President

Dear Sir:

Re: Order No. 65A

Pursuant to your application dated December 3, 1976 please find enclosed a gazetted copy of Manitoba Regulation 28/77 approving your request.

Yours sincerely,



H. G. Moser, P. Eng.,  
Director, Petroleum Branch.

HGM/et  
Encl.

## Manitoba Regulation 134/76

Being

THE OIL AND NATURAL GAS CONSERVATION BOARD  
UNITIZATION ORDER NO. 22Pertaining to the Unitized Management Operation and  
Further Development of Waskada Unit No. 1

*Made and Passed Pursuant to "The Mines Act", Cap. M160, of the  
Continuing Consolidation of the Statutes of Manitoba, and  
Amendments Thereto, by The Oil and Natural Gas  
Conservation Board of Manitoba*

(Filed June 8, 1976)

1. Effective at the hour of eight o'clock in the forenoon, official time, on the first day of June, A.D., 1976, a certain part of the Waskada Field, to be known as the Unit Area, shall be operated as a unit in accordance with the Unit Agreement, Waskada Unit No. 1, Manitoba, Canada, and shall be known as the Waskada Unit No. 1.
2. Part of Exhibit A, and all Exhibit B, being excerpts from the Unit Agreement, and attached hereto, shall be published in The Manitoba Gazette.

Oil and Natural Gas Unitization Order No. 22,  
made and passed this 11th day of May,  
A.D., 1976, at the City of Winnipeg, in  
the Province of Manitoba, by The Oil and  
Natural Gas Conservation Board.

Approved:

"S. Green"

Sidney Green,  
Minister of Mines, Resources and  
Environmental Management.

"Jas. T. Cawley"

Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

"J.S. Roper"

J.S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

"Ian Haugh"

Dr. I. Haugh,  
Member,  
The Oil and Natural Gas  
Conservation Board.

- No Leases are  
affected by this  
Unitization Order.

(Part of)

## EXHIBIT "A"

Attached to and made part of  
an agreement entitled

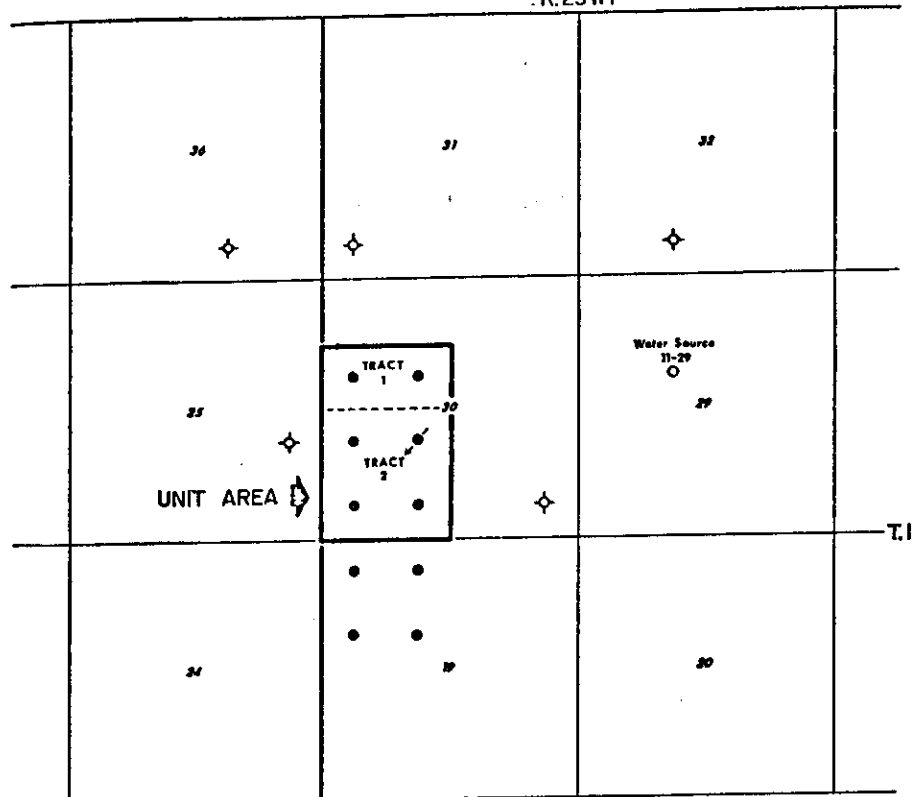
"Unit Agreement - Waskada Unit No. 1"

Tract No.	Land Description Section	Twp.	Rge. WPM	Tract Participation	
				Interim	Final
1	Lsd's 11 and 12 of Section 30	1	25	16.291	17.335
2	Lsd's 3, 4, 5 and 6 of Section 30	1	25	83.709	82.665
				<hr/> 100.00	<hr/> 100.00

## EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED  
"UNIT AGREEMENT - WASKADA UNIT No. 1"

.R.25W1



WASKADA UNIT NO. 1

LEGEND

- PROPOSED INJECTION WELL
- WATER SOURCE WELL
- PRODUCING OIL WELLS
- ABANDONED

SCALE: 2" = 1 MILE

DATE: DEC. 1975



MANITOBA

DEPARTMENT OF MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT  
TRANSMITTAL MEMORANDUM

FOR

ORDERS - IN - COUNCIL

SUBJECT The Oil and Natural Gas Conservation Board Unitization Order No. 22

ORDERS-IN-COUNCIL PREPARED FOR Sidney Green, Minister of Mines, Resources and Environmental Mgt.

ORDER-IN-COUNCIL PREPARED BY H. C. Moster; Director, Petroleum Branch

JUSTIFICATION PREPARED BY H. C. Moster DATE MAY 12<sup>th</sup> 1976

GENERAL PROCEDURES

- 1. This transmittal memorandum together with twenty-one copies of a justification document must accompany all Orders-in-Council sent to the Minister of Mines, Resources and Environmental Management.
- 2. This transmittal memorandum must accompany the Order-in-Council until its disposition by the minister, at which time it is requested that this memo be detached from the Order-in-Council and returned to the office mentioned below.
- 3. The following sequence must be maintained in the routing of the attached Order-in-Council, please sign this memorandum prior to routing to next area.
- 4. Originator must check appropriate boxes in alternate sections 2-6-7-8 are required.

Route	POSITION	APPROVAL SIGNATURES	Route	POSITION	APPROVAL SIGNATURES	
1	ORIGINATOR Director Pet. Br.	<i>H.C. Moster</i>	4	MINISTER	<i>Sidney Green</i>	
2	<input type="checkbox"/> PLANNING	<i>Jan Hough</i>	5	ATTORNEY GENERAL		
	<input type="checkbox"/> MANAGEMENT SERVICES		6	<input type="checkbox"/> CIVIL SERVICE COMMISSION		
	<input checked="" type="checkbox"/> Min. Res. Division		7	CABINET COMMITTEES	<input type="checkbox"/> PLANNING and PRIORITIES	
	<input type="checkbox"/> ENVIRONMENTAL MANAGEMENT				<input type="checkbox"/> MANAGEMENT	
	<input type="checkbox"/> RESOURCES MANAGEMENT					
	<input type="checkbox"/> WATER RESOURCES		8	<input type="checkbox"/> (ALTERNATIVE)		
3	DEPUTY MINISTER	<i>Joe Hamley</i>	9	DEPUTY MINISTER'S OFFICE	FOR PLACEMENT ON CABINET AGENDA	

FOR MINISTER'S USE ONLY

☐ APPROVED

☐ NOT APPROVED

COMMENTS

JUN 1 1976

PETROLEUM BRANCH

Minister of Mines, Resources and Environmental Management



MANITOBA

DEPARTMENT OF MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT

## ORDER - IN - COUNCIL JUSTIFICATION DOCUMENT

THE MINISTER OF MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT PROPOSES TO SUBMIT TO CABINET FOR APPROVAL, AN ORDER-IN-COUNCIL RELATING TO THE FOLLOWING SUBJECT MATTER.

**SUBJECT** The Oil and Natural Gas Conservation Board Unitization Order No. 22

### BACKGROUND

The Waskada Field is located approximately 55 miles south of Virden and was discovered in 1967. The Field presently contains 10 oil wells and has produced over 500,000 barrels of oil.

The Oil and Natural Gas Conservation Board held a Public Hearing in Winnipeg, Manitoba on Friday, March 12th, 1976, with respect to an application by Omega Hydrocarbons Ltd. to unitize a portion of the Waskada Field, namely:

In Township 1 - Range 25 WPM

SW $\frac{1}{4}$  and Legal Subdivisions 11 and 12 of Section 30

Unitization Order No. 22 was made and passed by the Board on May 11th, 1976 approving the application.

### RECOMMENDATION

That approval be given to Unitization Order No. 22 in accordance with Section 76(3) of "The Mines Act".

### JUSTIFICATION

The Unitization Order shall provide for a more efficient and economical operation within the unitized portion of the Field and shall enable a water flood scheme to be implemented in that section of the reservoir. A successful water flood shall increase the ultimate recovery of oil from the pool and prevent waste.

The Board is satisfied with the Unitization Agreement, no objections were submitted by any interested party and written consents were received from all Royalty Interest Owners.

The Unitization shall benefit all Working Interest Owners and the Royalty Interest Owners affected.

THIS DOCUMENT TO BE PREPARED UNDER THE CATEGORICAL HEADINGS:—

**SUBJECT / BACKGROUND / RECOMMENDATIONS / JUSTIFICATION**

SCHEDULE

THE OIL AND NATURAL GAS CONSERVATION BOARD

UNITIZATION ORDER NO. 22


Pertaining to the Unitized Management Operation and  
Further Development of Waskada Unit No. 1

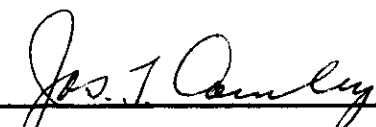
Made and Passed Pursuant to "The Mines Act", Cap. M160, of  
the Continuing Consolidation of the Statutes of Manitoba,  
and Amendments Thereto, by The Oil and Natural  
Gas Conservation Board of Manitoba

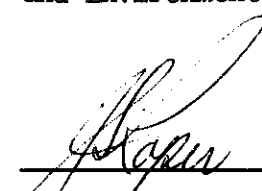
1. Effective at the hour of eight o'clock in the forenoon, official time, on the first day of June, A.D., 1976, a certain part of the Waskada Field, to be known as the Unit Area, shall be operated as a unit in accordance with the Unit Agreement, Waskada Unit No. 1, Manitoba, Canada, and shall be known as the Waskada Unit No. 1.
2. Part of Exhibit A, and all Exhibit B, being excerpts from the Unit Agreement, and attached hereto, shall be published in The Manitoba Gazette.

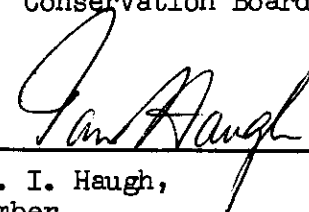
Oil and Natural Gas Unitization Order No. 22,  
made and passed this *11<sup>th</sup>* day of *May*  
A.D., 1976, at the City of Winnipeg, in  
the Province of Manitoba, by The Oil and  
Natural Gas Conservation Board.

Approved:

  
\_\_\_\_\_  
Sidney Green,  
Minister of Mines, Resources  
and Environmental Management.

  
\_\_\_\_\_  
Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

  
\_\_\_\_\_  
J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

  
\_\_\_\_\_  
Dr. I. Haugh,  
Member,  
The Oil and Natural Gas  
Conservation Board.

(Part of)

EXHIBIT "A"

Attached to and made part of  
an agreement entitled

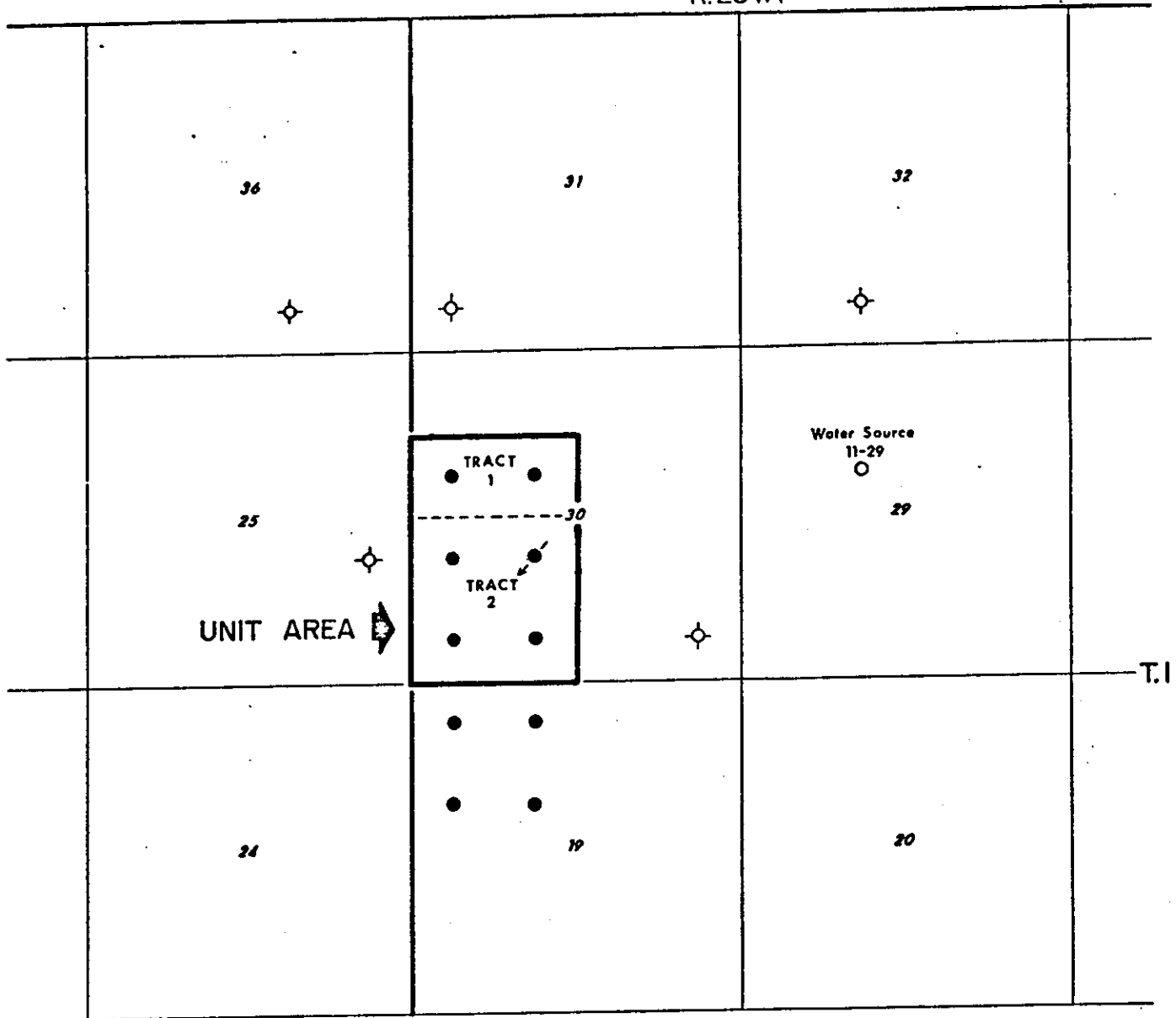
"Unit Agreement - Waskada Unit No. 1"

<u>Tract No.</u>	<u>Land Description Section</u>	<u>Twp.</u>	<u>Rge. WPM</u>	<u>Tract Participation</u>	
				<u>Interim</u>	<u>Final</u>
1	Lsd's 11 and 12 of Section 30	1	25	16.291	17.335
2	Lsd's 3, 4, 5 and 6 of Section 30	1	25	83.709	82.665
				100.00	100.00

# EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED  
"UNIT AGREEMENT - WASKADA UNIT No. 1"

R.25W1



WASKADA UNIT NO. 1

## LEGEND

- PROPOSED INJECTION WELL
- WATER SOURCE WELL
- PRODUCING OIL WELLS
- ✧ ABANDONED

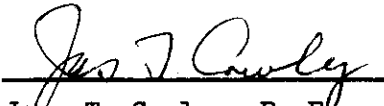
SCALE: 2" = 1MILE

DATE: DEC. 1975

THE REGULATIONS ACT  
C E R T I F I C A T E

I, Jas. T. Cawley, P. Eng., Chairman of The Oil and Natural Gas Conservation Board, of Manitoba, hereby certify that the attached Regulation is a true copy of the original Order:—

- (a) entitled The Oil and Natural Gas Conservation Board Unitization Order No. 22;
- (b) made pursuant to "The Mines Act";
- (c) made by The Oil and Natural Gas Conservation Board, of Manitoba;
- (d) under date of the *11<sup>th</sup>* day of *May* A.D., 1976;
- (e) which Regulation comes into force on the date of filing with the Registrar of Regulations.

  
Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

Being

THE OIL AND NATURAL GAS CONSERVATION BOARD

UNITIZATION ORDER NO. 22

Pertaining to the Unitized Management Operation and  
Further Development of Waskada Unit No. 1

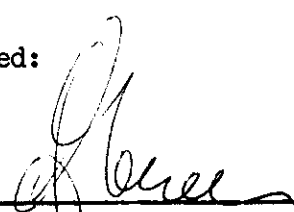
Made and Passed Pursuant to "The Mines Act", Cap. M160, of  
the Continuing Consolidation of the Statutes of Manitoba,  
and Amendments Thereto, by The Oil and Natural  
Gas Conservation Board of Manitoba

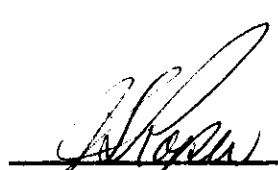
(Filed:


1. Effective at the hour of eight o'clock in the forenoon, official time, on the first day of June, A.D., 1976, a certain part of the Waskada Field, to be known as the Unit Area, shall be operated as a unit in accordance with the Unit Agreement, Waskada Unit No. 1, Manitoba, Canada, and shall be known as the Waskada Unit No. 1.
2. Part of Exhibit A, and all Exhibit B, being excerpts from the Unit Agreement, and attached hereto, shall be published in The Manitoba Gazette.

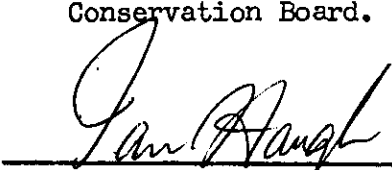
Oil and Natural Gas Unitization Order No. 22,  
made and passed this 11<sup>th</sup> day of May  
A.D., 1976, at the City of Winnipeg, in  
the Province of Manitoba, by The Oil and  
Natural Gas Conservation Board.

Approved:

  
\_\_\_\_\_  
Sidney Green,  
Minister of Mines, Resources  
and Environmental Management.

  
\_\_\_\_\_  
J. S. Roper,  
Deputy Chairman,  
The Oil and Natural Gas  
Conservation Board.

  
\_\_\_\_\_  
Jas. T. Cawley, P. Eng.,  
Chairman,  
The Oil and Natural Gas  
Conservation Board.

  
\_\_\_\_\_  
Dr. I. Haugh,  
Member,  
The Oil and Natural Gas  
Conservation Board.

(Part of)  
**EXHIBIT "A"**

Attached to and made part of  
an agreement entitled

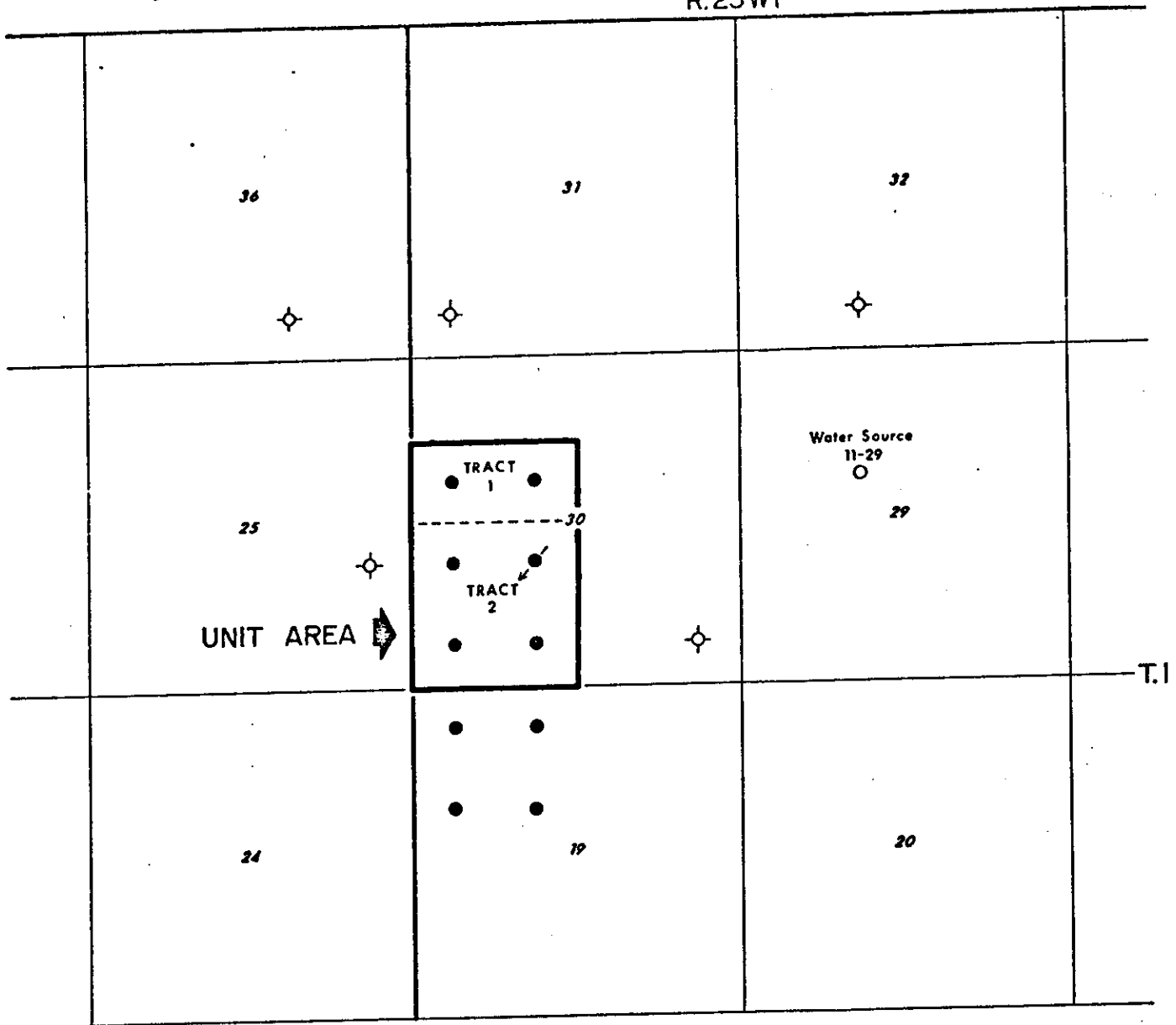
"Unit Agreement - Waskada Unit No. 1"

<u>Tract No.</u>	<u>Land Description Section</u>	<u>Twp.</u>	<u>Rge. WPM</u>	<u>Tract Participation</u>	
				<u>Interim</u>	<u>Final</u>
1	Lsd's 11 and 12 of Section 30	1	25	16.291	17.335
2	Lsd's 3, 4, 5 and 6 of Section 30	1	25	83.709	82.665
				<u>100.00</u>	<u>100.00</u>

# EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED  
"UNIT AGREEMENT - WASKADA UNIT No. 1"

R.25W1



WASKADA UNIT NO. 1

## LEGEND

- PROPOSED INJECTION WELL
- WATER SOURCE WELL
- PRODUCING OIL WELLS
- ✧ ABANDONED

SCALE: 2" = 1 MILE

DATE: DEC. 1975



MANITOBA

Order-in-Council

No. ....618....

# ON MATTERS OF STATE

To His Honour the Lieutenant-Governor-in-Council

The undersigned, The Minister of Mines, Resources and Environmental Management.....  
submits for approval of Council a report setting forth that:

WHEREAS, subsections (1), (2), and (3) of Section 76 of "The Mines Act", being Chapter M160 of the Continuing Consolidation of the Statutes of Manitoba, provide as follows:

"76(1) The board, upon its own motion, may, or, upon the application of a working interest owner of a tract that exceeds a spacing unit in area, and that is within the pool, field, or part thereof, shall hold a hearing to consider the advisability or necessity for the operation of a pool, field, or part thereof, as a unit.

76(2) A working interest owner applying to the board under subsection (1) shall apply in writing and shall submit to the board a proposed plan of unit operation of the proposed unit area containing the terms and conditions that the applicant desires to be included in the order, together with such number of copies of the plan and such other information as the board may require.

76(3) If the board is of the opinion that the operation of the pool, field, or part thereof, as a Unit would prevent waste therein having regard

(a) to the production and recovery of oil and gas;

(b) to the gathering and processing of gas;

(c) to the disposal of salt water produced;

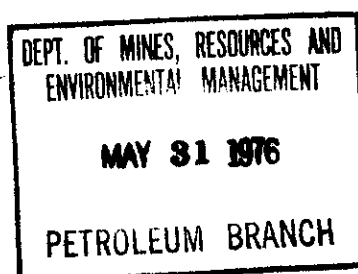
(d) to the rights of each owner to a reasonable opportunity of recovering or receiving the oil and gas in which he has an interest or the equivalent thereof without being required to drill unnecessary wells or to incur other unnecessary expenses therefor; and

(e) to any other circumstance pertaining to the drilling for or production of oil and gas;

the board may, with the approval of the Lieutenant Governor in Council, order that the pool, field, or part thereof, be operated as a unit.";

Copies to: Mr. Roper  
Dr. Haugh  
~~Mr. [unclear]~~

/ie 76 05 28



THEREFORE he, the Minister, recommends:

1. THAT Unitization Order No. 22 and Unit Agreement attached thereto, made by The Oil and Natural Gas Conservation Board on the 11th day of May, 1976, be approved.
2. THAT publication of the Plan, attached to the said Unitization Order No. 22, in The Manitoba Gazette be dispensed with.

Signature .....

IN THE EXECUTIVE COUNCIL CHAMBER, WINNIPEG

Upon consideration of the foregoing report and recommendation Council advises that it be done as recommended.

25th May, 1976

Date

President or Presiding Member

AT GOVERNMENT HOUSE IN THE CITY OF WINNIPEG

Approved and Ordered this 26th day of May A.D. 1976

Lieutenant Governor  
ADMINISTRATOR