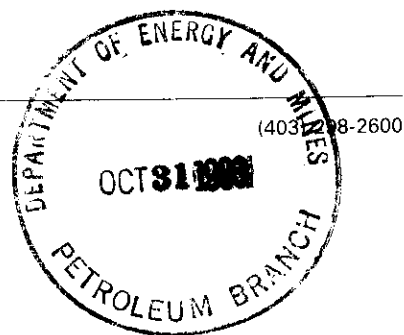


ENRON
Oil Canada Ltd.



VIA PUROLATOR COURIER

28 October 1988

Manitoba Energy and Mines
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. L.R. Dubreuil

Dear Sir:

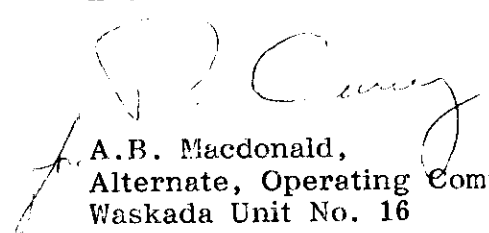
Re: Waskada Unit No. 16 Enlargement
Exhibit "D" - Revision #3a

Enclosed herewith please find Revision #3a of Exhibit "D" which occurred due to production volume adjustments to five wells. Exhibit "A" detailing individual Tract factors has already been amended, however Exhibit "D" revisions had not been updated.

Should you have any questions regarding this Exhibit, please contact Mr. Chuck Haywood at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.


A.B. Macdonald,
Alternate, Operating Committee
Waskada Unit No. 16

ABM/CRH:pdc
attach

SEPT 30/88

To:

From:

OEKIE
PAULETTE

BOB

RE: WASKADA UNIT No 16 - FIRST ENLARGEMENT

Effective October 1, 1988, Waskada Unit No 16 was expanded to include the following wells (tracts)

9 - 4 - 2 - 25	CROWN
10 - 4 - 2 - 25	"
16 - 4 - 2 - 25	"
4 - 10 - 2 - 25	"
1 - 9 - 2 - 25	
3 - 9 - 2 - 25	
5 - 9 - 2 - 25	
6 - 9 - 2 - 25	
7 - 9 - 2 - 25	
8 - 9 - 2 - 25	
5 - 10 - 2 - 25	CROWN
12 - 10 - 2 - 25	"
9 - 9 - 2 - 25	
10 - 9 - 2 - 25	
15 - 9 - 2 - 25	
16 - 9 - 2 - 25	
13 - 10 - 2 - 25	CROWN
14 - 10 - 2 - 25	"

VIA COURIER

5 October 1988

The Province of Manitoba
The Oil and Natural Gas
Conservation Board
Room 309, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Attention: Mr. L.R. Dubreuil

Dear Sir:

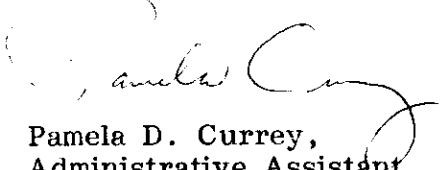
Re: Waskada Unit No. 16 Enlargement

Enclosed herewith is a copy of Shell Canada Limited's execution page for the Unit Agreement with regard to the subject Unit Enlargement which became effective as of October 1, 1988. Also enclosed are copies of Exhibit "D" and Exhibit "E" of the Unit Operating Agreement and Revision #1 of the List of Abbreviations page.

Should you have any questions regarding these enclosures, please contact the undersigned at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.


Pamela D. Currey,
Administrative Assistant

/pdc
attach



The Oil and Natural Gas
Conservation Board

Room 309
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

(204) 945-3130

September 30, 1988

Enron Oil Canada Ltd.
1300, 700 - 9th Avenue S.W.
CALGARY, Alberta T2P 3V4

Attention: Mr. R.A. Schultz
Vice-President, Production

Re: Waskada Unit No. 16 - First Enlargement

Dear Sir

Further to your letter of September 30, 1988, the Board hereby approves the first enlargement of Waskada Unit No. 16. Effective date of the enlargement is October 1, 1988.

Yours sincerely

A handwritten signature in dark ink, appearing to be 'Wm. McDonald', written in a cursive style.

Wm. McDonald
Deputy Chairman

cc: Charles S. Kang
Chairman

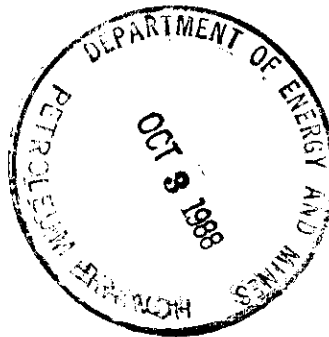
bc: Petroleum Branch

LRD:dah

**ENRON
Oil Canada Ltd.**

(403) 298-2600

VIA COURIER



30 September 1988

Manitoba Energy and Mines
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: L.R. Dubreuil

Dear Sir:

Re: Waskada Unit No. 13 Enlargement

Enclosed herewith are copies of fully executed signatory pages from the Unit Agreement for all Working Interest Owners, Royalty Owners (minus Shell Canada Limited) and Lessors.

Shell Canada Limited has indicated that they have no problem with the Unit Agreement and will be executing their copy of the agreement early next week. Upon receipt a copy will be forwarded to your offices immediately.

Yours very truly,

ENRON OIL CANADA LTD.

A handwritten signature in dark ink, appearing to read "R.A. Schultz".

R.A. Schultz,
Vice-President, Production

RAS:pd
attach



Energy and Mines

Petroleum

555 — 330 Graham Avenue
Winnipeg, Manitoba, CANADA
R3C 4E3

(204) 945-6577

September 15, 1988

Enron Oil Canada Ltd.
1300, 700 - 9th Avenue S.W.
CALGARY, Alberta T2P 3V4

Attention: Mr. Rick Schultz
Chief Production Engineer

Re: Waskada Unit No. 16 - Crown Consent

Dear Rick:

Enclosed is a copy of the signature page of the subject Unit Agreement. This has been executed by the Minister of Energy and Mines on behalf of the Crown as a royalty owner.

Please note, that pursuant to Article XIV of the Unit Agreement, written approval of The Oil and Natural Gas Conservation Board is required before the Unit Agreement takes effect.

Yours sincerely,

Original Signed by
L. R. DUBREUIL

L.R. Dubreuil
Chief Petroleum Engineer
Petroleum Branch

LRD:dah

encl

TRANSMITTAL SLIP
AUTHORITY SEEKING
DOCUMENTS

Manitoba
Energy and Mines



- ☐ Treasury Board Submission
☒ Cabinet Submission
☒ Order-in-Council
☐ Staffing Request

- ☐ Planning & Priorities Committee
of Cabinet Submission
☐ Pre-Clearance
☐ Out-of-Province Travel Request
☐ Other _____

SUBJECT: ORDER-IN-COUNCIL RECOMMENDING MINISTER OF
ENERGY AND MINES BE AUTHORIZED TO ENTER INTO
WASKADA UNIT AGREEMENT NO. 16.

CONTACT: CLARE MOSTER

DIVISION: PETROLEUM


TELEPHONE NO: 6573

DATE PREPARED: AUG. 30/88

PROCESSING PRIORITY: Normal ☒ Urgent _____

DATE APPROVAL REQUIRED BY: _____

IF URGENT, EXPLAIN:

APPROVALS:	SIGNATURE	DATE
Senior Branch/Section Manager	N/A	
Senior Division Manager		AUG. 30/88
Executive Director, Communications & Community Relations	N/A	
Manager, Financial Services		
Director, Personnel & Operations	N/A	
Executive Director, Administrative Services		

DEPARTMENT OF ENERGY AND MINES

CABINET SUBMISSION

SUBJECT:

An agreement to unitize oil development operations in the Waskada oil field.

BACKGROUND:

The Province of Manitoba is the owner of the mines and minerals in the north half and southwest quarter of Section 4 and the west half of Section 10 both in Township 2, Range 25 WPM located in the Waskada oil field. Enron Oil Canada Ltd. is the holder of Crown oil and natural gas leases to the subject land. Enron has completed eight wells under the leases in the Waskada Lower Amaranth A Pool. Enron is planning to expand its waterflood operations in that area of the Pool, but before proceeding, Enron must obtain the agreement of the mineral rights owners affected. As Enron wishes to include the Crown wells in the proposed enlargement to Waskada Unit No. 16, it has requested the consent of the Minister of Energy and Mines on behalf of the Crown as mineral rights owner.

DISCUSSION:

Inclusion of the Crown wells in the proposed Unit will result in a portion of the total crude oil and natural gas produced from all wells in the Unit being allocated to the Crown wells, and the Crown will receive royalties on the allocated production.

The Mines Act specifically provides for the Minister to enter into unitization agreements on behalf of the Crown with the approval of the Lieutenant Governor in Council.

FINANCIAL IMPLICATION:

The proposed unitization will not affect operating expenditures and will result in additional future oil royalty revenue to the Crown depending on the success of the waterflood project.

COMMUNICATION:

Because of the routine nature of the procedure for Crown consent as a mineral owner to unitization, no communication is required.

RECOMMENDATION:

It is recommended that the Minister of Energy and Mines be authorized to enter into the Unit Agreement for Waskada Unit No. 16 on behalf of the Crown.

Date Typed: August 24, 1988

Harold Neufeld
Minister of Energy and Mines



ON MATTERS OF STATE

To The Honourable the Lieutenant Governor in Council

The undersigned, the Minister of Energy and Mines
submits for approval of Council a report setting forth that:
WHEREAS Section 75 of "The Mines Act", being Chapter M160 of the Revised Statutes
of Manitoba, 1987, provides as follows:

"75(1) Where the Crown is a working interest owner or royalty owner of a tract of land, the Lieutenant Governor in Council may authorize the minister, on behalf of the Crown, to enter into a unitization agreement for the unit operation of the pool or field, or part thereof, within which the tract is situated.

75(2) Notwithstanding any other provision of this Act or of an agreement or other disposition made under this Act, the Lieutenant Governor in Council may authorize the minister, on behalf of the Crown, to enter into an agreement for the calculation of the royalty payable to the Crown on the oil and gas produced from a unit area that includes a tract that is subject to the payment of a royalty to the Crown."

AND WHEREAS Enron Oil Canada Ltd. is the holder of Crown Oil and Natural Gas Lease No. L802-136 covering the North half and the Southwest quarter of Section 4, and a part holder of Crown Oil and Natural Gas Lease No. 822-308 covering the West half of Section 10, both in Township 2, Range 25, WPM;

AND WHEREAS Enron Oil Canada Ltd. is proposing to enlarge its unitized operations in part of the Waskada Lower Amaranth A Pool known as Waskada Unit No. 16, which enlargement includes the tracts described as Legal Subdivisions 9, 10, and 16 of Section 4, and Legal Subdivisions 4, 5, 12, 13 and 14 of Section 10, both in Township 2, Range 25, WPM;

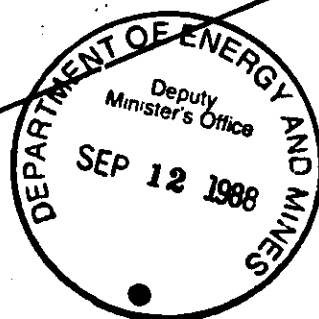
AND WHEREAS Enron Oil Canada Ltd. has requested agreement for the proposed unitization enlargement from the Crown as the royalty owner of the subject tracts;

AND WHEREAS in order to accomplish the more efficient and economical development and production of the oil and gas resources of the Waskada Lower Amaranth A Pool, it is deemed advisable for the Crown to enter into the said unitization agreement;

THEREFORE, he, the Minister, recommends:

THAT the Minister of Energy and Mines be authorized to enter into the Unit Agreement for Waskada Unit No. 16 in the form hereto annexed and marked as Schedule "A", or any form to the like effect.

Initiating Department/Agency	
Department/Agency	Authorized Officer
PETROLEUM	W. H. H. H.
ENERGY & MINES	
Approved By	Finance
C.B.C.	
Approved as to form by:	
G. R. CARNEGIE	
Initialed	
Legislation Branch:	
Legislative Council:	



Signature

IN THE EXECUTIVE COUNCIL CHAMBER, WINNIPEG

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

7 September 1988
Date

President or Presiding Member

AT GOVERNMENT HOUSE IN THE CITY OF WINNIPEG

Approved and Ordered this 7th day of September A.D. 1988

Lieutenant Governor



Memorandum

Date: August 24, 1988

To: Charles S. Kang
Deputy Minister of Energy & Mines
309 Legislative Bldg.

From: H. Clare Moster
Executive Director
Petroleum Division

Subject: WASKADA UNIT NO. 16 - FIRST ENLARGEMENT

Telephone:

Enron Oil Canada Ltd., is proposing to unitize an area in the Waskada Field which includes 18 tracts. The proposed enlargement to Waskada Unit No. 16 involves eight tracts (Lsd's) for which the Crown is the royalty interest owner (i.e. mineral rights owner). Section 74 of The Mines Act states that before a Unitization Agreement can be put into effect, it must be approved by The Oil and Natural Gas Conservation Board. It further states that the Board shall not approve an agreement unless the royalty owners have agreed to the Unit operation. Therefore, Enron has submitted two copies of the proposed Unit Agreement for the first enlargement of Waskada Unit No. 16 for execution by the Minister on behalf of the Crown as an affected royalty owner.

Section 75 of The Mines Act states that the Minister, with the authorization of the Lieutenant Governor in Council, may enter such agreements on behalf of the Crown as a royalty owner.

Recommendation:

It is recommended that the Minister:

1. Request authorization from Cabinet to permit him to enter into the proposed Waskada Unit No. 16 Unitization Agreement - First Enlargement on behalf of the Crown (Draft OIC attached) with respect to Lsd's 9, 10 and 16 of Section 4; and Lsd's 4, 5, 12, 13 and 14 of Section 10; both in Township 2, Range 25, West of the Principal Meridian.
2. Execute the attached Unit Agreement for the Waskada Unit No. 16 - First Enlargement as a royalty owner. Note: one full copy and a duplicate signature page (to be returned to Enron) are attached.

Discussion:

The eight tracts in the proposed First Enlargement of Waskada Unit No. 16 which contain Crown owned mineral rights are:

Lsd's 9, 10 and 16 of Section 4-2-25 (WPM) held under Crown Oil and Natural Gas Lease No. L802-136 covering the North Half and Southwest Quarter of Section 4; and

Lsd's 4, 5, 12, 13 and 14 of Section 10-2-25 (WPM) held under Oil and Natural Gas Lease No. L822-308 covering the West Half of Section 10.

Currently all eight wells on the tracts produce from the Waskada Lower Amaranth A Pool at a combined rate of approximately 715 m³/month and a water-oil ratio of about 0.05 m³/m³.

With the proposed Unit Enlargement and planned expanded pressure maintenance operations in the area, it is likely that the productivity of these wells will be enhanced or at least maintained in the future. On this basis, inclusion of these tracts in the Unit is recommended.

By inclusion of these tracts in the Unit, the Crown will receive royalties based on allocated Unit production. Petroleum Branch staff have reviewed all the Tract Participation Factors proposed for tracts in the Enlarged Unit and recommend their acceptance.

Clause 1301 of the proposed Unit Agreement specifically states that the execution of the agreement by the Minister is strictly as a Royalty Interest owner. Therefore, by such execution, the Minister is not approving the Unit Agreement. Such approval may only be done by the Board under Section 74 of The Mines Act.

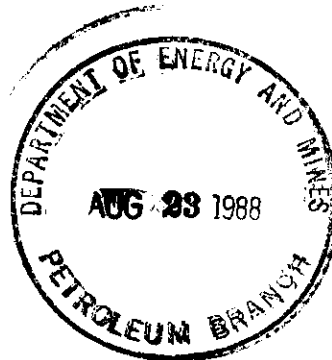
Original Signed by H. C. Moster

H. Clare Moster

Attachment

19 August 1988

Manitoba Department of Energy & Mines
Petroleum Branch
555 - 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3



Attention: Mr. L.R. Dubreuil,
Chief Petroleum Engineer

Dear Mr. Dubreuil:

Re: Waskada, Manitoba
Waskada Unit No. 16 Enlargement
Unit Agreement - Exhibit "A"

As per our conversation regarding a discrepancy in reported production volumes and operating days related to five of the tracts for the subject Unit Enlargement documents, enclosed herewith is a revised Exhibit "A". Also attached are Tables 1 and 2 illustrating the revised parameters and tract participations along with working interests of each party.

All Working Interest Owners have verbally approved the changes and copies of the amended Exhibit "A" has been forwarded to all parties concerned.

Enron apologizes for this inconvenience and is still hopeful of an October 1, 1988 Effective Date.

Yours very truly,

ENRON OIL CANADA LTD.

A handwritten signature in dark ink, appearing to read "R.A. Schultz".

R.A. Schultz,
Vice-President, Production

RAS:pdc
attach

TABLE 1
CHANGES IN PRODUCTION PARAMETERS

Location	ORIGINAL DATA			REVISED DATA		
	Month	Days	Production (m ³)	Month	Days	Production (m ³)
9-4-2-25	Oct/87	9	23.6	Oct/87	29	69.1
10-4-2-25	Oct/87	9	40.0	Oct/87	30	130.1
16-4-2-25	Oct/87	9	49.7	Oct/87	30	142.9
3-9-2-25	Oct/87	16	239.6	Oct/87	17	250.8
7-9-2-25	Nov/87	5	237.2	Nov/87	22	237.2

	Enlargement Unit Participation (%)	
	<u>August 8th Meeting</u>	<u>Revised</u>
Audax Gas & Oil Ltd.	2.741	2.777
Chauvco Resources Ltd.	3.673	3.718
Enron Oil Canada Ltd.	88.104	87.951
Highridge Exploration Ltd.	5.482	5.554
	<hr/> 100.000	<hr/> 100.000

AUGUST/wask 2-88
19 August 1988

*** PROPOSED WASKADA UNIT 16 PARTICIPATION FACTORS
BASED UPON 3 MONTHS OF PRODUCTION

the composite productivity factor
uses the two values below
0.5 0.5

WELL LOCATION	DATE ON PRODUCTION	AVERAGE M3/DAY	TOTAL M3	COMP. PROD. FACTOR	NET PAY M3	NET PAY M3	PEROSITY %	PHI-H FACTOR	PHI-H FACTOR	W.I.O. BPO	W.I.O. APO	COMP. PROD. FACTOR	COMP. PROD. FACTOR	PHI-H FACTOR	PHI-H FACTOR	OLD TRACT FACTORS	NEW TRACT FACTORS
9-4	ENROM	218.5	0.0411	0.0334	26.2	8.00	14.0	0.0356944	0.0356944	1.000	1.000	0.0372	0.0372	0.0357	0.0357	0.03663	0.02040
10-4	ENROM	4.534	0.0726	0.0598	35.0	10.66	15.0	0.0596602	0.0596602	1.000	1.000	0.0642	0.0642	0.0510	0.0510	0.06011	0.03349
16-4	ENROM	5.872	0.0532	0.0697	28.4	8.66	14.6	0.0402992	0.0402992	1.000	1.000	0.0614	0.0614	0.0403	0.0403	0.02917	0.03951
1-9	ENROM	1.919	0.0174	0.0201	60.2	18.34	16.6	0.0911814	0.0911814	1.000	1.000	0.0188	0.0188	0.0912	0.0912	0.04773	0.02659
3-9	ENROM	13.588	0.1231	0.0201	35.4	10.34	15.6	0.0533643	0.0533643	0.500	0.500	0.0539	0.0539	0.0277	0.0277	0.08686	0.04839
	CHAUVCO	605.5	0.1231	0.0926	35.4	10.79	16.1	0.0533643	0.0533643	0.125	0.125	0.0135	0.0135	0.0069	0.0069	0.08686	0.04839
	HIGHRIDGE	13.588	0.1231	0.0926	35.4	10.79	16.1	0.0533643	0.0533643	0.250	0.250	0.0270	0.0270	0.0138	0.0138	0.08686	0.04839
	AUDAX	605.5	0.1231	0.0926	35.4	10.79	16.1	0.0533643	0.0533643	0.125	0.125	0.0135	0.0135	0.0069	0.0069	0.08686	0.04839
5-9	CHAUVCO	2.688	0.0243	0.0251	40.7	12.42	15.2	0.0601655	0.0601655	0.500	0.500	0.0031	0.0031	0.0075	0.0075	0.03890	0.02167
	HIGHRIDGE	164.1	0.0243	0.0251	40.7	12.42	15.2	0.0601655	0.0601655	0.125	0.125	0.0031	0.0031	0.0075	0.0075	0.03890	0.02167
	AUDAX	2.688	0.0243	0.0251	40.7	12.42	15.2	0.0601655	0.0601655	0.250	0.250	0.0062	0.0062	0.0150	0.0150	0.03890	0.02167
6-9	CHAUVCO	2.688	0.0243	0.0251	40.7	12.42	15.2	0.0601655	0.0601655	0.500	0.500	0.0031	0.0031	0.0075	0.0075	0.03890	0.02167
	HIGHRIDGE	164.1	0.0243	0.0251	40.7	12.42	15.2	0.0601655	0.0601655	0.125	0.125	0.0031	0.0031	0.0075	0.0075	0.03890	0.02167
	AUDAX	2.688	0.0243	0.0251	40.7	12.42	15.2	0.0601655	0.0601655	0.250	0.250	0.0062	0.0062	0.0150	0.0150	0.03890	0.02167
7-9	CHAUVCO	4.116	0.0373	0.0523	32.8	10.00	16.3	0.0525855	0.0525855	0.125	0.125	0.0056	0.0056	0.0064	0.0064	0.04789	0.02668
8-9	ENROM	4.116	0.0373	0.0523	32.8	10.00	16.3	0.0525855	0.0525855	0.250	0.250	0.0112	0.0112	0.0131	0.0131	0.04789	0.02668
9-9	ENROM	4.116	0.0373	0.0523	32.8	10.00	16.3	0.0525855	0.0525855	0.125	0.125	0.0056	0.0056	0.0064	0.0064	0.04789	0.02668
10-9	ENROM	3.055	0.0277	0.0155	50.5	15.38	16.5	0.0419344	0.0419344	1.000	1.000	0.0544	0.0544	0.0517	0.0517	0.04951	0.02758
15-9	ENROM	3.532	0.0320	0.0219	40.5	12.34	16.5	0.0288221	0.0288221	1.000	1.000	0.0216	0.0216	0.0228	0.0228	0.02207	0.01230
4-10	CHAUVCO	6.026	0.0544	0.0564	34.1	11.30	17.0	0.0539242	0.0539242	1.000	1.000	0.0249	0.0249	0.0269	0.0269	0.04134	0.02303
	ENROM	1.779	0.0161	0.0177	25.1	7.66	16.3	0.0539242	0.0539242	1.000	1.000	0.0159	0.0159	0.0159	0.0159	0.05766	0.01452
5-10	CHAUVCO	2.431	0.0161	0.0177	25.1	7.66	16.3	0.0539242	0.0539242	0.9375	0.9375	0.0159	0.0159	0.0159	0.0159	0.05766	0.01452
	ENROM	194.6	0.0220	0.0298	49.9	15.22	15.5	0.0751846	0.0751846	0.0625	0.0625	0.0243	0.0243	0.0205	0.0205	0.02607	0.02541
12-10	CHAUVCO	2.431	0.0220	0.0298	49.9	15.22	15.5	0.0751846	0.0751846	0.9375	0.9375	0.0243	0.0243	0.0205	0.0205	0.02607	0.02541
	ENROM	11.152	0.1010	0.0816	47.0	14.34	16.7	0.0753217	0.0753217	0.0625	0.0625	0.0016	0.0016	0.0047	0.0047	0.04561	0.02541
13-10	CHAUVCO	533.5	0.1010	0.0816	47.0	14.34	16.7	0.0753217	0.0753217	0.9375	0.9375	0.0016	0.0016	0.0047	0.0047	0.04561	0.02541
	ENROM	11.152	0.1010	0.0816	47.0	14.34	16.7	0.0753217	0.0753217	0.0625	0.0625	0.0016	0.0016	0.0047	0.0047	0.04561	0.02541
14-10	CHAUVCO	729.4	0.0926	0.1116	31.2	9.50	17.7	0.0535994	0.0535994	0.0625	0.0625	0.0057	0.0057	0.0048	0.0048	0.08332	0.04753
	ENROM	10.220	0.0926	0.1116	31.2	9.50	17.7	0.0535994	0.0535994	0.9375	0.9375	0.0057	0.0057	0.0048	0.0048	0.08332	0.04753
	CHAUVCO	3.038	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	3.038	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.0625	0.0625	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.0333639	0.0333639	0.9375	0.9375	0.0016	0.0016	0.0032	0.0032	0.08268	0.04606
	VOYAGER	151.4	0.0275	0.0232	24.1	7.34	16.4	0.03336									

WASKADA SUMMARY

[illegible]

*** PROPOSED WASKADA UNIT 16 PARTICIPATION FACTORS
BASED UPON 3 MONTHS OF PRODUCTION

the composite productivity factor
uses the two values below
0.5 0.5

WELL LOCATION	DATE ON PRODUCTION	AVERAGE m3/DAY	COMP. PROD. FACT.	NET PAY ft	NET PAY m	PEROSITY %	PHI-H FACT.	W.I.O. BPO	W.I.O. APO	COMP. PROD. FACT.	PHI-H BPO	PHI-H APO	OLD TRACT FACTORS	NEW TRACT FACTORS
10-5 ENRON CHAUVCO MIGHRIDGE	JAN 86	1.5881 1.5881 1.5881 1.5881	0.0170 0.0170 0.0190 0.0190	24.7 24.7 24.7 24.7	7.5 7.5 7.5 7.5	12.9 12.9 12.9 12.9	0.0451269 0.0451269 0.0451269 0.0451269	0.50 0.125 0.125 0.125	0.50 0.125 0.125 0.125	0.0090 0.0023 0.0045 0.0045	0.0226 0.0056 0.0113 0.0113	0.0226 0.0056 0.0113 0.0113	0.02833 0.01255 0.01255 0.01255	0.01255 0.01255 0.01255 0.01255
3-4 15-4 15-5	JULY 86 AUG 85 DEC 85	2.0441 2.4090 2.6381	0.0219 0.0263 0.0263	28.4 46.3 14.9	8.7 14.1 4.5	12.9 15.34 15.15	0.0451269 0.0754974 0.1071475	0.125 1.00 0.50	0.125 1.00 0.125	0.0023 0.0248 0.0143	0.0056 0.0755 0.0160	0.0056 0.0755 0.0160	0.02833 0.01255 0.02846	0.01255 0.01903 0.01260
11-4 16-5	FEB 86 JULY 85	2.6381 3.5082 3.5123	0.0263 0.0268 0.0376	14.9 14.9 23.5	4.5 4.5 7.2	15.15 15.77 16.04	0.0319704 0.0850953 0.0513653	0.125 1.00 0.50	0.125 1.00 0.125	0.0036 0.0036 0.0058	0.0040 0.0040 0.0067	0.0040 0.0040 0.0067	0.02846 0.01260 0.04579	0.01260 0.02379 0.02028
14-4 4-9	FEB 86 OCT 84	4.4242 7.0821 5.44.9	0.0376 0.0269 0.0920	42.8 29.2 29.2	13.0 8.9 8.9	17.04 12.98 12.98	0.0533853 0.1030485 0.0536793	0.125 1.00 0.125	0.125 1.00 0.125	0.0058 0.0381 0.0105	0.0067 0.1030 0.0067	0.0067 0.1030 0.0067	0.04579 0.02028 0.03107	0.02028 0.02911 0.03107
2-9 12-4 13-4 4-4 5-4 5-4 9-5	JULY 86 FEB 86 FEB 86 FEB 86 AUG 85 NOV 85	8.0774 8.2044 8.3014 8.7847 9.3553 10.8929 12.6998 12.6998 12.6998 8.72.4	0.0864 0.0877 0.0868 0.0939 0.1000 0.1613 0.1358 0.1358 0.1358 0.1358	32.2 32.2 36.1 29.5 23.8 37.4 26.4 26.4 26.4 26.4	9.8 5.3 11.0 9.0 7.3 8.0 8.0 8.0 8.0 8.0	14.31 15.83 16.04 12.98 12.98 16.31 16.16 16.16 16.16 16.16	0.0536793 0.0392026 0.0809352 0.0536793 0.0660484 0.0794533 0.0598237 0.0598237 0.0598237 0.0598237	0.125 1.00 1.00 0.125 1.00 1.00 0.50 0.125 0.125 0.125	0.125 1.00 1.00 0.125 1.00 1.00 0.50 0.125 0.125 0.125	0.0929 0.0788 0.0950 0.0733 0.0733 0.1389 0.0708 0.0708 0.0708 0.0708	0.0649 0.0392 0.0809 0.0648 0.0648 0.0795 0.0299 0.0299 0.0299 0.0299	0.0649 0.0392 0.0809 0.0648 0.0648 0.0795 0.0299 0.0299 0.0299 0.0299	0.0649 0.0392 0.0809 0.0648 0.0648 0.0795 0.0299 0.0299 0.0299 0.0299	0.0649 0.0392 0.0809 0.0648 0.0648 0.0795 0.0299 0.0299 0.0299 0.0299
TOTAL FROM UNIT 16		93.5220 5921.4	1.0000 1.0000 1.0000	450.40	137.28	2152.12	1.0000						1.0000	0.44292

NOTE : PRODUCTIVITY VALUES BASED ON 3 MONTHS PRODUCTION
AND ONLY THE TOTALS ARE USED TO ADJUST UNIT 16 TRACT FACTORS

COMPANY	ORIGINAL UNIT PARTICIPATION FOR FIVE MONTHS OF PRODUCTION	UNIT 16 PARTICIPATION THREE MONTHS OF PROCD.	NET DIFFERENCE	COMP. PROD. FACT.	COMP. PROD. FACT.	PHI-H BPO	PHI-H APO
ALDAX	60% PROD. +40% PHI-H	60% PROD. +40% PHI-H	APO 0.0007	1.0000	1.0000	0.0398	0.0305
CHAUVCO			APO 0.0007	1.0000	1.0000	0.0398	0.0305
ENRON			APO 0.0007	1.0000	1.0000	0.0398	0.0305
MIGHRIDGE			APO 0.0007	1.0000	1.0000	0.0398	0.0305
TOTAL	1.00000 1.00000	1.00000 1.00000	0.0013 0.0013			0.0795	0.0610

WASKADA
SUMMARY

M3/DAY		M3/DAY		TOT M3		TOT M3	
APRO	FACTOR	APRO	FACTOR	APRO	FACTOR	APRO	FACTOR
0.0085	0.0085	0.0095	0.0095	0.0095	0.0095		
0.0021	0.0021	0.0024	0.0024	0.0024	0.0024		
0.0042	0.0042	0.0048	0.0048	0.0048	0.0048		
0.0021	0.0021	0.0024	0.0024	0.0024	0.0024		
0.0219	0.0219	0.0278	0.0278	0.0278	0.0278		
0.0258	0.0258	0.0363	0.0363	0.0363	0.0363		
0.0141	0.0141	0.0144	0.0144	0.0144	0.0144		
0.0035	0.0035	0.0036	0.0036	0.0036	0.0036		
0.0071	0.0071	0.0072	0.0072	0.0072	0.0072		
0.0035	0.0035	0.0036	0.0036	0.0036	0.0036		
0.0375	0.0375	0.0288	0.0288	0.0288	0.0288		
0.0188	0.0188	0.0273	0.0273	0.0273	0.0273		
0.0047	0.0047	0.0068	0.0068	0.0068	0.0068		
0.0094	0.0094	0.0137	0.0137	0.0137	0.0137		
0.0047	0.0047	0.0068	0.0068	0.0068	0.0068		
0.0473	0.0473	0.0289	0.0289	0.0289	0.0289		
0.0379	0.0379	0.0460	0.0460	0.0460	0.0460		
0.0095	0.0095	0.0115	0.0115	0.0115	0.0115		
0.0189	0.0189	0.0230	0.0230	0.0230	0.0230		
0.0095	0.0095	0.0115	0.0115	0.0115	0.0115		
0.0864	0.0864	0.0695	0.0695	0.0695	0.0695		
0.0877	0.0877	0.0699	0.0699	0.0699	0.0699		
0.0888	0.0888	0.1012	0.1012	0.1012	0.1012		
0.0939	0.0939	0.0526	0.0526	0.0526	0.0526		
0.1000	0.1000	0.0518	0.0518	0.0518	0.0518		
0.1165	0.1165	0.1613	0.1613	0.1613	0.1613		
0.0679	0.0679	0.0737	0.0737	0.0737	0.0737		
0.0170	0.0170	0.0184	0.0184	0.0184	0.0184		
0.0339	0.0339	0.0368	0.0368	0.0368	0.0368		
0.0170	0.0170	0.0184	0.0184	0.0184	0.0184		
0.8529	0.8529	0.8290	0.8290	0.8290	0.8290		

--FIRST MONTH--		--SECOND MONTH--		--THIRD MONTH--		--FOURTH MONTH--		--FIFTH MONTH--	
# DAYS	M3 OIL	# DAYS	M3 OIL	# DAYS	M3 OIL	# DAYS	M3 OIL	# DAYS	M3 OIL
26	53.3	28	35.7	16	21.8	7	15.8	31	34.1
26	55.3	28	35.7	16	21.8	7	15.8	31	34.1
26	55.3	28	35.7	16	21.8	7	15.8	31	34.1
26	55.3	28	35.7	16	21.8	7	15.8	31	34.1
23	69.1	31	54.6	30	41	31	48.2	28	34.4
2	9.5	29	107.7	31	59.1	30	48.2	31	34.4
14	56.9	31	66.1	28	48.1	18	25	31	30
14	56.9	31	66.1	28	48.1	18	25	31	30
14	56.9	31	66.1	28	48.1	18	25	31	30
14	56.9	31	66.1	28	48.1	18	25	31	30
25	94.9	18	46.1	28	48.1	18	25	31	30
3	16.8	31	134.8	30	97.4	31	80.2	30	66.8
3	16.8	31	134.8	30	97.4	31	80.2	30	66.8
3	16.8	31	134.8	30	97.4	31	80.2	30	66.8
3	16.8	31	134.8	30	97.4	31	80.2	30	66.8
15	72.1	31	134.8	30	97.4	31	80.2	30	66.8
21	162.4	18	64.7	7	34.1	31	91.2	31	93.2
21	162.4	26	189.3	31	193.2	31	111.7	28	169.7
21	162.4	26	189.3	31	193.2	31	111.7	28	169.7
21	162.4	26	189.3	31	193.2	31	111.7	28	169.7
19	199.9	26	189.3	31	193.2	31	111.7	28	169.7
28	234.9	27	199.2	30	190	26	177.8	30	169.7
12	6.7	18	107.4	7	71.8	22	160	31	156.1
12	6.7	18	107.4	7	71.8	22	160	31	156.1
12	6.7	18	107.4	7	71.8	22	160	31	156.1
10	98.5	8	51.3	31	310.3	21	177	25	206.6
5	63	18	140.6	7	72.4	18	237.5	28	215.3
16	189.1	27	323.2	31	76.1	30	184	28	244.3
16	189.1	26	267.6	26	332.6	28	298.6	18	289.8
16	189.1	26	267.6	26	415.7	28	408.6	18	196
16	189.1	26	267.6	26	415.7	28	408.6	18	196
16	189.1	26	267.6	26	415.7	28	408.6	18	196

Revised per Erron letter
of Aug 19/88



60% of Total
Factor

WICHITA UNIT NO. 16

ENRON

PRODUCTIVITY FACTOR

3 MONTHS PROD.

WELL	DIL	DAYS	RATE	DFACTOR	DUMFADT	TOTAL	ENRON
####	###	###	###	#####	#####	#####	#####
1-1	318.5	53	4.122641	0.019209	0.016717	0.035926	0.0325
1-2	751.1	64	8.110977	0.028473	0.029922	0.058395	0.0561
1-3	455.1	92	5.551219	0.025865	0.034826	0.060692	0.0536
4-10	118	60	1.833333	0.009008	0.008875	0.017883	0.0164
5-10	194.5	63	3.088888	0.014392	0.014888	0.029280	0.0253
6-10	533.5	48	11.11458	0.051787	0.040817	0.092604	0.0877
7-10	725.4	72	10.13055	0.047202	0.055805	0.103007	0.0994
8-10	151.4	57	2.641538	0.013566	0.011583	0.025149	0.0244
9-10	2789.7	44	66369	0.209503	0.217436	0.426940	0.3959
1-5	131.5	77	1.709090	0.007963	0.010068	0.018031	0.0182
2-5	605.2	44	13.75454	0.064087	0.046307	0.110390	0.1027
3-5	164.1	54	3.038888	0.014159	0.012555	0.026714	0.024
4-5	741.5	96	7.970930	0.018502	0.026127	0.044629	0.0478
5-5	721.7	69	10.45942	0.046734	0.055216	0.101950	0.1494
6-5	785.8	76	5.209210	0.024271	0.030289	0.054561	0.0531
7-5	761	59	12.89830	0.060088	0.058223	0.118311	0.1119
8-5	101.2	39	2.594871	0.012090	0.007742	0.019833	0.0204
9-5	143.1	50	2.862	0.013335	0.010948	0.024283	0.0257
10-5	180.2	45	5.849230	0.027253	0.029088	0.056342	0.0547
FREEHOLD	2745.5	62	34649	0.290496	0.286563	0.577060	0.6038
WICHITA	6575.2	107	7101	0.500000	0.5	1.000000	0.9992

Well DAYS FIRST 3 months June 88 105.8206

9-4	63	218.5	36.8
10-4	64	391.1	84.1
16-4	82	455.2	68.4
4-10	58	116.0	31.3
5-10	63	194.6	58.4
12-10	48	533.5	242.5
13-10	72	729.4	179.2
14-10	52	151.4	16.0
1-9	77	131.6	26.6
3-9	43	605.2	237.3
5-9	61	164.1	17.9
6-9	86	341.5	71.0
7-9	72	721.7	239.6
8-9	78	395.9	97.1
9-9	60	761.0	240.9
10-9	39	101.2	27.9
15-9	50	143.1	30.3
16-9	66	380.2	56.7

July

$$\begin{aligned}
 1762.4 \text{ m}^3 & \times 1.633\% = 28.78 \text{ m}^3 \\
 & \times 0.11 \quad 3.17 \text{ m}^3/\text{mon} \\
 & \times 0.17 \quad 4.89 \text{ m}^3/\text{mon}
 \end{aligned}$$

CROWN TRACTS

LATEST
OIL RATEENRON Prob.
FIRST
~~100.00%~~
FACTORENRON
phi FACTOR

9-4	.03377	<u>Well Count</u>	1.23	.0325	.0356944
10-4	.05435		2.80	.0566	.0509602
16-4	.04830		2.28	.0536	.0402952
4-10	.02578		1.04	.0164	.0397923
5-10	.04527		1.95	.0253	.0751846
12-10	.08313		13.47	.0877	.0763217
13-10	.08110		5.97	.0994	.0535894
14-10	.02997		<u>0.64</u>	<u>.0244</u>	<u>.0383639</u>

.40167

.47059

29.38

.39590

.410202

.44061

Freehold TRACTS

1-9	.04742		0.89	.0182	.0911814
3-9	.08377		7.91	.1027	.0553643
5-9	.03844		0.60	.0240	.0601655
6-9	.04734		2.37	.0438	.0525855
7-9	.11195		7.99	.1494	.0557164
8-9	.04871		3.24	.0531	.0421934
9-9	.10207		10.47	.1119	.0872486
10-9	.02140		0.93	.0204	.0228221
15-9	.04060		1.01	.0257	.0629242
16-9	.05664		<u>1.89</u>	<u>.0547</u>	<u>.0595969</u>

.59834

.52941

37.30

.60390

.589798

.55939

COMPARISON OF ENRON ϕh FACTORS WITH AVAILABLE
CORE ANALYSIS USING $k_{co} = 1 \text{ md} + \phi_{co} = 0$

Well	INT	$\phi_{co}=0$ $k_{co}=1$			ϕh_{en}	ϕ_{en}	h_{en}	
		ϕh	ϕ	h				
9-4	882-900	1.134	* 15.4	7.35	1.12		8.10	
10-4	-	1.373	*		1.60		10.66	
16-4	881-899	0.730	* 14.6	5.01	1.26		8.66	
1-9	880.5898.5	1.96	15.6	12.59	2.86		18.34	
3-9	878.0 - 896.0	1.738	16.1	10.79	1.73		10.79	.5m LC
5-9	882 - 900	1.884	15.2	12.42	1.89		12.42	CORE LAB
6-9	878 - 896	1.070	16.5	5.25	1.65		10.0	0.45m LC
7-9	877 - 895	1.215	16.4	7.12	1.75		10.66	
8-9	877 - 895.18	1.275	15.2	7.68	1.32		8.71	
9-9	871 - 889	2.734	17.8	15.38	2.73		15.38	
10-9	-	0.618			0.72		4.34	
15-9	-	1.690			1.97		12.34	
16-9	-	1.604			1.87		11.00	
4-10	876-894.53	0.872	* 16.3	5.36	1.25		7.66	
5-10	875-893	2.307	* 15.5	14.89	2.36		15.22	
12-10	875-893	2.201	* 16.7	12.91	2.39		14.34	0.1m LC
13-10	871 889.23	1.462	* 17.7	8.25	1.68		9.50	
14-10	-	1.030	*		1.20		7.34	

26.897

Ave ϕh of 13 cored wells with $\phi_{co}=0$ $k_{co}=1$ = 1.583

ENRON Ave ϕh FOR SAME 13 wells.

1.845

RATIO - CORE / ENRON =

0.858

EST VALUES FOR NON CORED wells using ratio x ENRON

$$\begin{aligned} \text{CROWN FACTOR (CORE)} &= \frac{\sum \phi h_{\text{crown}}}{\sum \phi h_{\text{all}}} = \frac{11.109}{26.897} = 0.413 \\ \text{CROWN FACTOR (ENRON)} &= \frac{\sum \phi h_{\text{crown}}}{\sum \phi h_{\text{all}}} = \frac{12.860}{31.377} = 0.410 \end{aligned}$$

FACTORS AGREE WELL AND ARE ACCEPTABLE TO CROWN

ENRON
Oil Canada Ltd.

(403) 298-2600

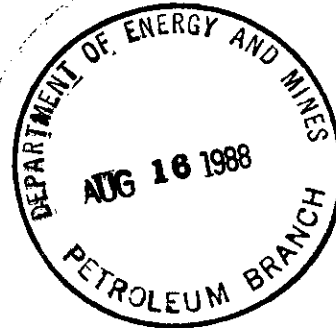
11 August 1988

Manitoba Department of Energy & Mines
Petroleum Branch
555 - 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. L.R. Dubreuil
Chief Petroleum Engineer,
Petroleum Branch

Dear Sir:

Re: Waskada, Manitoba
Waskada Unit No. 16 Enlargement
Unit Agreement



Enclosed herewith is a copy of the Unit Agreement and a duplicate of the signatory page for the Waskada Unit No. 16 Enlargement. Enron Oil Canada Ltd., as Unit Operator, requests Manitoba Department of Energy and Mines, as a Royalty Owner, to execute and return the duplicate signatory page.

The tract participation was based upon a 60% productivity factor and a 40% oil-in-place factor. The productivity factor is composed of two parts with a fifty/fifty split. The first part is the average oil rate per operating day during the first three months of operation and the second part is the total m³ of oil produced during the same period. The supporting data for the tract participation is attached.

Enron plans to have an Effective Date of October 1, 1988 and therefore your prompt attention to this matter would be greatly appreciated.

Should you have any questions regarding the agreement, please contact the undersigned at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.

A handwritten signature in dark ink, appearing to read "R. Schultz".

R.A. Schultz,
Vice-President, Production

RAS:pdc
attach

EXPANSION TOTALS		123.085	6295.5	1.000	1.000	1.000	640.945	195.360	3137.745	1.000	1.00000	0.56233
COMPLETE TOTALS		216.607	12216.9						5289.9			
MIT 16 RATIOS		0.43176	0.48649						0.4068			
XPANDED TOTALS		0.56824	0.51531						0.5932			
MIT TOTAL RATIO =		0.43767										
XPANDED TOTAL RATIO		0.56233										

TABLE No. 2

*** PROPOSED WASKADA UNIT 16 PARTICIPATION FACTORS
BASED UPON 3 MONTHS OF PRODUCTION

the composite productivity factor
uses the two values below

WELL LOCATION	ENRON CHAUVO HIGHRI	DATE ON PRODUCTION	AVERAGE M3/DAY	TOTAL M3/DAY	COMP. FACTOR	NET PAY	NET PAY	POROSITY	PHI-H	PHI-H FACTOR	W.I.O. BPO	W.I.O. APO	COMP. FACTOR	COMP. FACTOR	PHI-H FACTOR	PHI-H FACTOR	PHI-H FACTOR	OLD TRACT FACTORS	NEW TRACT FACTORS
10-5	ENRON	JAN 86	1.5881	112.8	0.0170	0.0180	74.7	12.9	97.12	0.0451269	0.50	0.125	0.0090	0.0090	0.0226	0.0226	0.0226	0.02833	0.01240
3-4	ENRON	JULY 86	1.5881	112.8	0.0170	0.0180	74.7	12.9	97.12	0.0451269	0.50	0.125	0.0090	0.0090	0.0226	0.0226	0.0226	0.02833	0.01240
15-4	ENRON	AUG 85	1.5881	112.8	0.0170	0.0180	74.7	12.9	97.12	0.0451269	0.50	0.125	0.0090	0.0090	0.0226	0.0226	0.0226	0.02833	0.01240
15-5	ENRON	DEC 85	2.4090	164.7	0.0219	0.0248	28.4	16.7	162.48	0.0754974	1.00	1.00	0.0310	0.0310	0.0775	0.0775	0.0775	0.04296	0.01880
	CHAUVO		2.6381	171.1	0.0282	0.0286	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
	HIGHRI		2.6381	171.1	0.0282	0.0286	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
11-4	ENRON	FEB 86	3.0482	170.6	0.0376	0.0461	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
16-5	ENRON	JULY 85	3.0482	170.6	0.0376	0.0461	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
	CHAUVO		3.0482	170.6	0.0376	0.0461	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
	HIGHRI		3.0482	170.6	0.0376	0.0461	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
14-4	ENRON	FEB 86	4.4213	170.6	0.0376	0.0461	14.9	12.15	68.80	0.0319704	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
4-9	ENRON	OCT 84	7.0821	544.9	0.0757	0.0920	29.2	12.98	115.52	0.0536793	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
	CHAUVO		7.0821	544.9	0.0757	0.0920	29.2	12.98	115.52	0.0536793	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
	HIGHRI		7.0821	544.9	0.0757	0.0920	29.2	12.98	115.52	0.0536793	0.50	0.125	0.0036	0.0036	0.0160	0.0160	0.0160	0.05892	0.02579
2-9	ENRON	JULY 86	8.0774	589.1	0.0864	0.0990	17.3	15.83	174.18	0.0392026	1.00	1.00	0.0105	0.0105	0.0067	0.0067	0.0067	0.04579	0.03070
12-4	ENRON	FEB 86	8.2044	589.1	0.0864	0.0990	17.3	15.83	174.18	0.0392026	1.00	1.00	0.0105	0.0105	0.0067	0.0067	0.0067	0.04579	0.03070
13-4	ENRON	AUG 85	8.3014	589.1	0.0864	0.0990	17.3	15.83	174.18	0.0392026	1.00	1.00	0.0105	0.0105	0.0067	0.0067	0.0067	0.04579	0.03070
4-4	ENRON	FEB 86	8.7847	311.4	0.0939	0.0526	31.4	16	143.87	0.0648484	1.00	1.00	0.0733	0.0733	0.0392	0.0392	0.0392	0.06290	0.02753
5-4	ENRON	FEB 86	9.3553	306.8	0.1000	0.0518	31.4	16	143.87	0.0648484	1.00	1.00	0.0733	0.0733	0.0392	0.0392	0.0392	0.06290	0.02753
9-4	ENRON	AUG 85	10.8929	955.1	0.1165	0.1613	37.4	16	170.99	0.0794333	1.00	1.00	0.1389	0.1389	0.0539	0.0539	0.0539	0.07565	0.03911
9-5	ENRON	NOV 85	12.6998	872.4	0.1358	0.1473	26.4	16	128.75	0.0598237	0.50	0.125	0.0177	0.0177	0.0299	0.0299	0.0299	0.07196	0.03281
	CHAUVO		12.6998	872.4	0.1358	0.1473	26.4	16	128.75	0.0598237	0.50	0.125	0.0177	0.0177	0.0299	0.0299	0.0299	0.07196	0.03281
	HIGHRI		12.6998	872.4	0.1358	0.1473	26.4	16	128.75	0.0598237	0.50	0.125	0.0177	0.0177	0.0299	0.0299	0.0299	0.07196	0.03281
	ALDAX		12.6998	872.4	0.1358	0.1473	26.4	16	128.75	0.0598237	0.50	0.125	0.0177	0.0177	0.0299	0.0299	0.0299	0.07196	0.03281

TOTAL FROM UNIT 16

NOTE : PRODUCTIVITY VALUES BASED ON 3 MONTHS PRODUCTION
AND ONLY THE TOTALS ARE USED TO ADJUST UNIT 16 TRACT FACTORS

1.0000 0.43767

1.0000

2152.12
AVERAGE POROSITY = 16.00

95.5220 5921.4 1.0000 1.0000 450.40
137.28

ORIGINAL UNIT PARTICIPATION
FOR FIVE MONTHS OF PRODUCTION

UNIT 16 PARTICIPATION
THREE MONTHS OF PRODUCTION

NET
DIFFERENCE

ALDAX
CHAUVO
ENRON
HIGHRI

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

COMP.
FACTOR
BPO

PHI-H
FACTOR
APO

PHI-H
FACTOR
BPO

COMP.
FACTOR
APO

27 July 1988

ALL ROYALTY INTEREST OWNERS
WASKADA UNIT NO. 16
(Addressee List Attached)

Gentlemen:


Re: Unit Agreement
Revised Exhibit "A"

Enron Oil Canada Ltd. hereby advises that Enron has purchased Consolidated Pipe Lines Company's entire interest in Waskada Unit No. 16 by virtue of conveyance effective May 1, 1988.

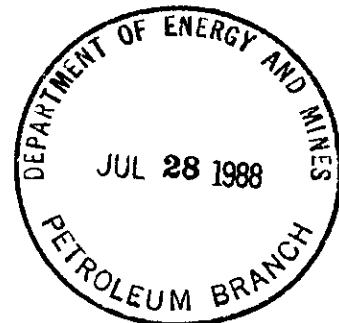
Please replace the existing Exhibit "A" with that which is enclosed herewith.

Yours very truly,

ENRON OIL CANADA LTD.


R.A. Schultz,
Chairman, Operating Committee
Waskada Unit No. 16

RAS:pdc
attach



WASKADA UNIT NO. 16

ROYALTY INTEREST OWNERS

Adobe Resources Corporation
Seventeen Street Plaza Building
#200, 1225 - 17th Street
Denver, Colorado 80202

Attention: R.F. Conley

Brosco Fund Limited
1313 Richardson Building
One Lombard Place
Winnipeg, Manitoba
R3B 0X3

Attention: R.G. Puchniak

Geodata Exploration Services Ltd.
#19, 801 - 6th Avenue S.W.
Calgary, Alberta
T2P 3W2

Attention: G.W. Litschke

William T. Passant
#17, 1609 Balsam Street
Vancouver, B.C.
V6K 3L9

Pioneer Energy Resources Limited
1313 Richardson Building
One Lombard Place
Winnipeg, Manitoba
R3B 0X3

Attention: R.G. Puchniak

Shell Canada Limited
Box 100, Station M
400 - 4th Avenue S.W.
Calgary, Alberta
T2P 2H5

Attention: D.B. Connelly

Voyager Energy Company
#2700 Bow Valley Square 2
205 - 5th Avenue S.W.
Calgary, Alberta
T2P 2V7

Attention: W.L. Haaland

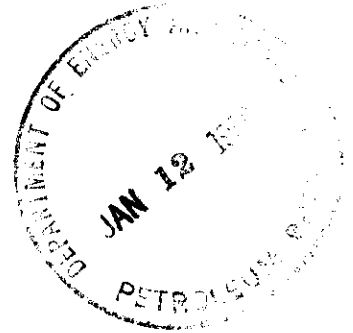
ENRON
Oil Canada Ltd.

Manitoba Energy and Mines
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention; L.R. Dubreuil

ENRON
Oil Canada Ltd.

(403) 298-2600



8 January 1988

Oil & Natural Gas Conservation Board
Petroleum Division
#555, 330 Graham Avenue
Winnipeg, manitoba
R3C 4E3

Attention: Mr. R. Dubriel

Dear Sir:

Re: Revised Exhibit "A" for Unit Agreement
Due to Conversion at Payout
Locations: 5-4-2-25, 13-4-2-25 & 15-4-2-25 WPM

Enron Oil Canada Ltd. has elected to convert its gross overriding royalty to a 50% working interest in the subject wells.

Therefore, as Operator of Waskada Unit No. 16, Enron has prepared and enclosed revised Exhibit "A" to reflect the changes in Unit Participation resulting from this conversion to a working interest in Tracts 3, 11 and 13.

Should you have any questions regarding this revised exhibit, please contact the undersigned at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.

A handwritten signature in dark ink, appearing to read "R.A. Schultz".

R.A. Schultz,
Vice-President, Production

RAS:pdc
attach

5 May 1987



ALL ROYALTY INTEREST OWNERS
WASKADA UNIT NO. 16
(Addressee List Attached)

Gentlemen:

Re: Effective Date

Please be advised that the Effective Date of the Waskada Unit No. 16 is May 1, 1987 and that all Tracts qualified for inclusion in the Unit Area.

Enron Oil Canada Ltd. is the Unit Operator and the parties to be contacted relative to Unit matters are as follows:

Richard A. Schultz
A. Bruce Macdonald

Enclosed herewith are copies of all the signatory pages for the Unit Agreement. Also attached is a replacement Page 3 of Exhibit A which corrects a typographical error.

Yours very truly,

A handwritten signature in dark ink, appearing to read "R.A. Schultz".

R.A. Schultz,
Production Manager,
Enron Oil Canada Ltd.
Operator, Waskada Unit No. 16

RAS/pdc
attach

WASKADA UNIT NO. 16

ROYALTY INTEREST OWNERS

Adobe Resources Corporation
Seventeen Street Plaza Building
#200, 1225 - 17th Street
Denver, Colorado 80202

Attention: R.F. Conley

Brosco Fund Limited
1313 Richardson Building
One Lombard Place
Winnipeg, Manitoba
R3B 0X3

Attention: R.G. Puchniak

Geodata Exploration Services Ltd.
#19, 801 - 6th Avenue S.W.
Calgary, Alberta
T2P 3W2

Attention: G.W. Litschke

William T. Passant
#17, 1609 Balsam Street
Vancouver, B.C.
V6K 3L9

Pioneer Energy Resources Limited
1313 Richardson Building
One Lombard Place
Winnipeg, Manitoba
R3B 0X3

Attention: R.G. Puchniak

Shell Canada Limited
Box 100, Station M
400 - 4th Avenue S.W.
Calgary, Alberta
T2P 2H5

Attention: D.B. Connelly

Voyager Energy Company
#2700 Bow Valley Square 2
205 - 5th Avenue S.W.
Calgary, Alberta
T2P 2V7

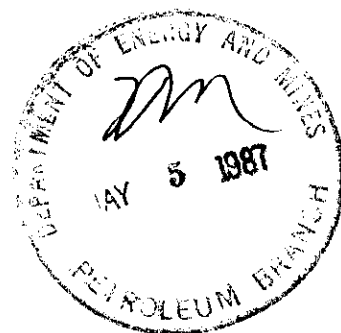
Attention: W.L. Haaland

ENRON
Oil Canada Ltd.

Manitoba Energy and Mines
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention; L.R. Dubreuil

ENRON
Oil Canada Ltd.



30 April 1987

Oil & Natural Gas Conservation Board
Petroleum Division
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. Charles S. Kang,
Chairman

Dear Sir:

Re: Waskada, Manitoba
Proposed Waskada Unit No. 16
Unit Agreement

Enclosed herewith is a copy of Geodata Exploration Services Ltd.'s signatory page to complete your files on the subject proposed unit.

Yours very truly,

ENRON OIL CANADA LTD.


Pamela D. Currey,
Administrative Assistant

/pdc
attach

SUBMISSION TO CABINET
BY THE
DEPARTMENT OF ENERGY AND MINES

Subject:

An agreement to unitize oil development operations in the Waskada oil field.

Background:

The Province of Manitoba is the owner of the mines and minerals in the north half and southwest quarter of Section 4, Township 2, Range 25 WPM which is part of the Waskada oil field. Enron Oil Canada Ltd. is the holder of a Crown oil and natural gas lease to the subject land. Enron has completed nine wells under the lease in the Waskada Lower Amaranth A Pool. Enron is planning to develop its waterflood operations in that area of the Pool, but before proceeding, Enron must obtain the agreement of the mineral rights owners affected. As Enron wishes to include the Crown wells in the proposed Waskada Unit No. 16, it has requested the consent of the Minister of Energy and Mines on behalf of the Crown as mineral rights owner.

Discussion:

Inclusion of the Crown wells in the proposed Unit will result in a portion of the total crude oil and natural gas produced from all wells in the Unit being allocated to the Crown wells, and the Crown will receive royalties on the allocated production.

The Mines Act specifically provides for the Minister to enter into unitization agreements on behalf of the Crown with the approval of the Lieutenant Governor in Council.

Financial Implication:

The proposed unitization will not affect operating expenditures and will result in additional future oil royalty revenue to the Crown depending on the success of the waterflood project.

Communication:

Because of the routine nature of the procedure for Crown consent as a mineral owner to unitization, no communication is required.

Recommendation:

It is recommended that the Minister of Energy and Mines be authorized to enter into the Unitization Agreement for Waskada Unit No. 16 on behalf of the Crown.

Date Typed: April 7, 1987

Wilson Parasiuk
Minister of Energy and Mines



Memorandum

Date October 2, 1986

To Executive Management Committee
Energy and Mines
555 - 330 Graham Avenue

From Rose Abendschoon
Administrative Assistant
to the Deputy Minister

Telephone

Subject CABINET SUBMISSIONS

This is to remind you that all Cabinet submissions are to have "financial implication" and "communication strategy" sections. This applies to all Cabinet submissions including legislation, regulation, appointment and policy submissions. If there are no financial implications and/or no communications necessary, these sections should indicate "nil". Submissions with these sections missing will no longer be accepted by Executive Council for placement on the Cabinet agenda.

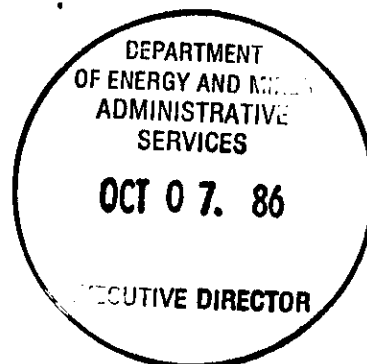
Attached for your reference is a basic format for Cabinet submissions. Please advise appropriate staff.

Rose
Rose Abendschoon

Attachment

Distribution

Sobharam Singh
Tom Gunton
Wayne Ferguson
Clare Foster
Bill McDonald
Executive Director, Administration



DEPARTMENT OF

Cabinet Submission

Date

SUBJECT:

BACKGROUND:

DISCUSSION: (if needed)

FINANCIAL
IMPLICATIONS:

COMMUNICATION (summarize here and attach a CAP form)
STRATEGY:

RECOMMENDATIONS:



Action / Route Slip

Date: April 27, 1987

To: Charles S. Kang

From: H. Clare Mosier

Telephone: _____

- | | | | | |
|---|---|--|--|--|
| <input type="checkbox"/> Take Action | <input type="checkbox"/> Per Your Request | <input type="checkbox"/> Circulate, Initial and Return | <input checked="" type="checkbox"/> For Approval and Signature | <input type="checkbox"/> Make _____ Copies |
| <input type="checkbox"/> May We Discuss | <input type="checkbox"/> For Your Information | <input type="checkbox"/> Return With Comments or Revisions | <input type="checkbox"/> Draft Reply for Signature | <input type="checkbox"/> Please File |

Comments: WASKADA UNIT NO. 16

Your signature on the attached letter to be DATED PRIOR TO MAY 1, 1987

is recommended.

Please advise when signed.



The Oil and Natural Gas
Conservation Board

Room 309
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

(204) 945-3130

APR 28 1987

Enron Oil Canada Ltd.
1300, 700 - 9th Avenue S.W.
Calgary, Alberta
T2P 3V4

Attention: Mr. R. A. Schultz,
Production Manager

Dear Sirs:

RE: WASKADA UNIT NO. 16

Receipt of your letter dated April 27, 1987 and attached working interest and royalty owner consents is acknowledged.

The Waskada Unit No. 16 Unit Agreement is hereby approved with an effective date (pursuant to Article XIV of the Unit Agreement) of May 1, 1987.

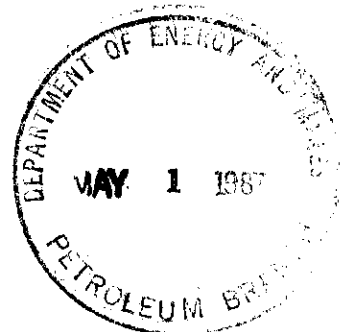
Yours sincerely,

ORIGINAL SIGNED BY
CHARLES S. KANG

Charles S. Kang
Chairman

LRD/1k

b.c. Wm. McDonald
B. Ball
Petroleum



27 April 1987

VIA TELECOPIER TO:
Mr. Bob Dubriel
(204-945-0586)

Oil & Natural Gas Conservation Board
Petroleum Division
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. Charles S. Kang,
Chairman

Dear Sir:

Re: Waskada, Manitoba
Proposed Waskada Unit No. 16
Unit Agreement

Enron Oil Canada Ltd. hereby requests approval by the Conservation Board of the Proposed Waskada Unit No. 16 as described in clause 1401 of the Unit Agreement. Please find attached copies of the execution page by Working Interest Owners and Royalty Interest Owners as outlined in Exhibit "A" of the said agreement. Geodata Exploration Services Ltd., a non-convertible gross overriding royalty owner, has not executed but should be forthcoming.

Enron Oil Canada Ltd. requests that the Effective Date be May 1, 1987.

If you have any questions regarding this matter, please contact the undersigned at your convenience.

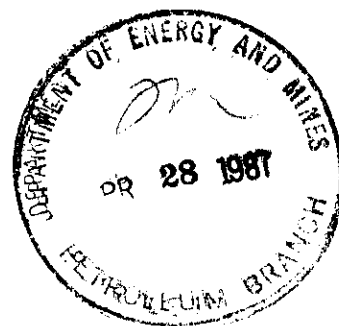
Yours very truly,

ENRON OIL CANADA LTD.



R.A. Schultz,
Production Manager

RAS:pdc
attach





Energy and Mines

Petroleum

555 — 330 Graham Avenue
Winnipeg, Manitoba, CANADA
R3C 4E3

(204) 945-6577

April 24, 1987

Enron Oil Canada Ltd.
1300, 700 - 9th Avenue S.W.
CALGARY, Alberta
T2P 3V4

Attention: R.A. Schultz

Re: Waskada Unit No. 16
Crown Consent

Dear Sir:

Enclosed is one copy of the subject Unit Agreement which has been executed by the Minister of Energy and Mines on behalf of the Crown.

Please note that prior to the Unit becoming effective, the Unit Agreement must be approved by The Oil and Natural Gas Conservation Board.

Yours sincerely,

L.R. Dubreuil
Chief Petroleum Engineer
Petroleum Division

LRD:dah

encl



MANITOBA

ON MATTERS OF STATE

To The Honourable the Lieutenant Governor in Council

The undersigned, the Minister ofEnergy and Mines..... submits for approval of Council a report setting forth that:

WHEREAS

Section 75 of "The Mines Act", being Chapter M160 of the Continuing Consolidation of the Statutes of Manitoba, provides as follows:

*75(1) Where the Crown is a working interest owner or royalty owner of a tract of land, the Lieutenant Governor in Council may authorize the minister, on behalf of the Crown, to enter into a unitization agreement for the unit operation of the pool or field, or part thereof, within which the tract is situated.

75(2) Notwithstanding any other provision of this Act or of an agreement or other disposition made under this Act, the Lieutenant Governor in Council may authorize the minister, on behalf of the Crown, to enter into an agreement for the calculation of the royalty payable to the Crown on the oil and gas produced from a unit area that includes a tract that is subject to the payment of a royalty to the Crown."

AND WHEREAS Enron Oil Canada Ltd. is the holder of Crown Oil and Natural Gas Lease No. L802-136 covering the North half and the Southwest quarter of Section 4, in Township 2, Range 25, WPM;

AND WHEREAS Enron Oil Canada Ltd. is proposing to unitize its operations in part of the Waskada Lower Amaranth A Pool as Waskada Unit No. 16, which unit includes the tracts described as Legal Subdivisions 3, 4, 5, 6, 11, 12, 13, 14 and 15 of Section 4, in Township 2, Range 25, WPM;

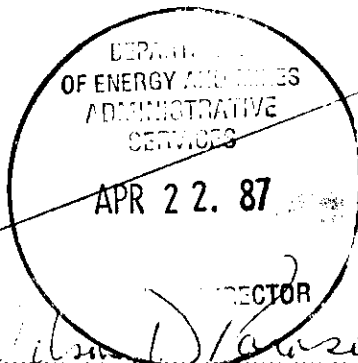
AND WHEREAS Enron Oil Canada Ltd. has requested agreement for the proposed unitization from the Crown as the royalty owner of the subject tracts;

AND WHEREAS in order to accomplish the more efficient and economical development and production of the oil and gas resources of the Waskada Lower Amaranth A Pool, it is deemed advisable for the Crown to enter into the said unitization agreement;

THEREFORE, he, the Minister, recommends:

THAT the Minister of Energy and Mines be authorized to enter into the Unit Agreement for Waskada Unit No. 16 in the form hereto annexed and marked as Schedule "A", or any form to the like effect.

Initiating Department/Agency	
Department/Agency	Authorized Officer
E + M.	<i>David Helmerich</i>
Approved By	
C.S.C.	Finance
Approved as to form by:	
name	<i>Tom Hagen</i>
Initials	
Legal Litigation Branch:	<i>WHL</i>
Legislative Counsel:	



Signature *William D. Russell* DIRECTOR

IN THE EXECUTIVE COUNCIL CHAMBER, WINNIPEG

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

15 April 1987

Date

Howard Hawley

President or Presiding Member

AT GOVERNMENT HOUSE IN THE CITY OF WINNIPEG

Approved and Ordered this15th..... day of.....April..... A.D. 1987.....

Bernice Johnson

Lieutenant Governor

Manitoba

→ Bob
file



Date: March 23, 1987

Action / Route Slip

To: 1. G. Barnes (for your review)
2. I. Frost (for approval as to form)
3. Charles S. Kang

From: H. Clare Moster

Telephone:

- | | | | | |
|---|---|--|---|--|
| <input type="checkbox"/> Take Action | <input type="checkbox"/> Per Your Request | <input type="checkbox"/> Circulate, Initial and Return | <input type="checkbox"/> For Approval and Signature | <input type="checkbox"/> Make _____ Copies |
| <input type="checkbox"/> May We Discuss | <input type="checkbox"/> For Your Information | <input type="checkbox"/> Return With Comments or Revisions | <input type="checkbox"/> Draft Reply for Signature | <input type="checkbox"/> Please File |

Comments: Re: O.I.C. - WASKADA UNIT 16

- Please review and forward to next individual.
- Please return signed copy of OIC and both copies of Unit Agreement when signed by the Minister.



Memorandum

Date March 20, 1987

To Charles S. Kang
Deputy Minister of Energy & Mines
309 Legislative Bldg.

From H. Clare Moster
Executive Director
Petroleum Division

Subject Waskada Unit No. 16 Proposal Telephone

Enron Oil Canada Ltd. is proposing to unitize an area in the Waskada Field which includes 15 tracts. The proposed Unit No. 16 involves nine tracts (Lsd's) for which the Crown is the royalty interest owner (i.e. - mineral rights owner). Section 74 of The Mines Act states that before a Unitization Agreement may be put into effect, it must be approved by The Oil and Natural Gas Conservation Board. It further states that the Board shall not approve an agreement unless the royalty owners have agreed to the Unit operation. Therefore, Enron has submitted two copies of the proposed Unit Agreement for the Waskada Unit No. 16 for approval (execution) by the Minister as an affected royalty owner.

Section 75 of The Mines Act states that the Minister, with the authorization of the Lieutenant Governor in Council, may enter such agreements on behalf of the Crown as a royalty owner.

Recommendation:

It is recommended that the Minister:

1. Request authorization from Cabinet to permit him to enter into the proposed Waskada Unit No. 16 Unitization Agreement on behalf of the Crown (Draft OIC attached) with respect to Lsd's 3, 4, 5, 6, 11, 12, 13, 14 and 15 of Section 4-2-25 (WPM).
2. Execute the attached two copies of the Unit Agreement for the Waskada Unit No. 16 as a royalty owner.

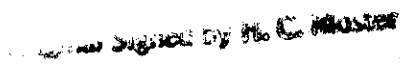
Discussion:

The 9 tracts in the proposed Waskada Unit No. 16 which contain Crown-owned mineral rights are Lsd's 3, 4, 5, 6, 11, 12, 13, 14 and 15 of Section 4-2-25 (WPM). All of these tracts are held under Crown Oil and Natural Gas Lease No. L802-136 covering the North Half and the Southwest Quarter of Section 4. Currently, all nine wells on the tracts are producing from the Waskada Lower Amaranth A Pool. Eight of the Crown wells in Section 4-2-25 WPM are producing at a combination of approximately 835 m³ per month and a water-oil ratio of less than 1 m³ per m³. The well 15-4-2-25 (WPM) is currently inactive.

With the proposed Unit and planned pressure maintenance operations in the area, it is likely that the productivity of these wells will be enhanced or at least maintained in the future. On this basis, inclusion of these tracts in the Unit is recommended.

By inclusion of these tracts in the Unit, the Crown will receive royalties based on allocated Unit production. The Division has reviewed all the Tract Participation Factors proposed for the tracts in the Unit and feels they are reasonable.

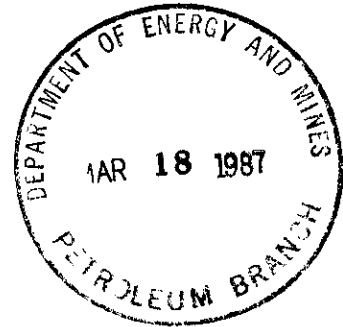
Clause 1301 of the proposed Unit agreement specifically states that the execution of the agreement by the Minister is strictly as a Royalty Interest owner. Therefore, by such execution, the Minister is not approving the Unit Agreement. Such approval may only be done by the Board pursuant to Section 74 of The Mines Act.


H. Clare Moster

LRD/lk

ENRON
Oil Canada Ltd.

(403) 298-2600



VIA PUROLATOR

17 March 1987

Manitoba Department of Energy & Mines
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. Marc Arbez

Dear Sir:

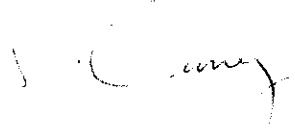
Re: Proposed Waskada Unit No. 16

As per our telephone conversation of this date, enclosed herewith is a copy of the updated participation factors calculations.

Should you have further questions regarding this matter, please contact the undersigned at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.


R.A.W. Smith, P.Eng.
Senior Reservoir Engineer

RAWS:pdc
attach

THE CONJUGATE

WILLIAM WILSON

the community factor 1987

THE HISTORY OF THE

5. 1. 1. 5

0.5 0.5

0.5 0.5

WELL	DATE ON	--FIRST MONTH--			--SECOND MONTH--			--THIRD MONTH--			--FOURTH MONTH--			--FIFTH MONTH--			--SIXTH MONTH--			AVERAGE TOTAL	AS/DAY TOTAL	COMP. FACTOR		
LOCATION	PRODUCTION	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL	# DAYS	#3 OIL					
10-5	JAN 86	26	55.3	28	35.7	16	21.8	7	15.8	31	34.1	28	34.1	31	37.2	28	34.1	31	34.1	1.6298	163	0.0182	0.0161	0.0171
3-4	JULY 86	23	69.1	31	54.6	30	41	31	37.2	28	34.1	31	34.1	31	37.2	28	34.1	31	34.1	1.7122	236	0.0192	0.0204	0.0213
15-4	AUG 85	2	9.5	29	107.7	31	59.1	30	46.2	31	50	31	50	31	44	2,491.0	309	0.0200	0.0305	0.0268				
15-5	DEC 85	14	56.9	31	66.1	28	46.1	18	25	20	57					2,497.7	253	0.0272	0.0280	0.0261				
11-4	FEB 86	25	94.9	18	46.8	7	26.9	31	80.2	31	66.8					2,693.9	318	0.0342	0.0314	0.0329				
16-5	JULY 85	3	16.8	31	134.8	30	97.4	31	91.2	30	82.7	29	65.5	2,111.65	472	0.0348	0.0466	0.0407						
14-4	FEB 86	15	72.1	18	64.7	7	34.1	31	111.7	31	93.2					3,876.4	376	0.0445	0.0371	0.0408				
4-9	OCT 84	21	162.4	26	189.3	31	153.2	31	177.8	28	159.7					6,466.5	892	0.0740	0.0882	0.0811				
2-9	JULY 86	19	195.9	27	197.2	30	190	26	160	30	156.1					7,117.9	965	0.0797	0.0855	0.0846				
12-4	FEB 86	28	234.9	18	107.4	7	71.8	22	178.3	31	146.7					7,590.3	742	0.0841	0.0733	0.0787				
13-4	AUG 85	2	6.7	8	51.3	31	310.3	28	237.5	25	206.6	25	191.4	8,164.9	977	0.0915	0.0985	0.0950						
4-4	FEB 86	12	98.4	18	140.6	7	72.4	31	177	31	215.3					8,353.3	784	0.0953	0.0835	0.08915				
6-4	FEB 86	10	96.5	18	132.2	7	75.1	18	104	28	204.3					9,408.6	735	0.1053	0.0726	0.0890				
5-4	AUG 85	5	53	27	323.9	31	323.6	30	298.6	26	280.8	22	255.4	11,532.1	1541	0.1263	0.1532	0.1463						
9-5	NOV 85	16	187.1	26	267.6	26	415.7	28	408.6	18	195					12,716.3	1477	0.1424	0.1464	0.1432				
TOTAL																				87,2754	1,00000	1,00000	1,00000	1,00000
																					10118.8			

FINAL!

Feb 1972

WISCONSIN

INITIAL PRODUCTION

the composite factor uses

SUMMARY

the two values below

0.5 0.5

WELL LOCATION	DATE ON PRODUCTION	FIRST MONTH			SECOND MONTH			THIRD MONTH			FOURTH MONTH			FIFTH MONTH			SIXTH MONTH			AVERAGE TOTAL			m ³ /DAY TOTAL			m ³ COMV.		
		# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O	# DAYS	m ³ OIL	m ³ /O
10-5	JAN 66	26	55.3	2.13	28	55.7	1.98	16	21.8	1.36	7	15.8	2.26	31	34.1	1.10												
2-4	JULY 66	23	69.1	3.00	31	54.6	1.76	30	41	1.37	31	37.2	1.20	28	34.4	1.23												
13-4	AUG 65	2	9.5	4.75	29	107.7	3.71	31	59.1	1.91	30	68.2	1.61	31	59	1.61	31	44	1.42									
13-5	DEC 65	14	56.9	4.06	31	66.1	2.13	28	48.1	1.72	18	25	1.39	20	57	2.85												
11-4	FEB 66	25	94.9	3.80	18	46.8	2.60	7	28.9	4.12	31	88.2	2.87	31	66.8	2.15												
16-5	JULY 65	3	16.8	5.60	31	124.8	4.35	30	97.4	3.25	31	91.3	2.94	30	82.7	2.76	29	65.5	2.26									
14-4	FEB 66	15	72.1	4.81	18	64.7	3.59	7	34.1	4.87	31	111.7	3.60	31	93.2	3.01												
4-9	OCT 64	21	162.4	7.73	26	189.3	7.28	31	153.2	4.90	31	177.8	5.74	28	169.7	6.06												
2-9	JULY 66	19	197.9	10.52	27	197.2	7.28	30	190	6.33	26	160	6.15	30	156.1	5.20												
12-4	FEB 66	28	224.9	8.39	18	107.4	5.97	7	71.8	10.26	22	178.2	8.13	31	148.7	4.80												
13-4	AUG 65	2	6.7	3.35	8	51.3	6.41	31	310.3	10.01	28	227.5	8.48	25	206.6	8.26	25	191.4	7.66									
4-4	FEB 66	12	98.4	8.20	18	140.6	7.81	7	72.4	10.34	21	177	8.43	31	215.3	6.95												
5-4	FEB 66	10	98.5	9.85	18	132.2	7.34	7	76.1	10.87	18	184	10.22	28	244.3	8.73												
5-4	AUG 65	5	63	12.60	27	323.9	12.09	31	332.6	10.73	30	289.6	9.95	26	289.8	11.15	23	255.6	13.44									
9-5	NOV 65	16	189.1	11.82	26	267.6	10.29	26	415.7	15.99	28	408.6	14.59	18	196	10.89												
TOTAL																				89,2754						1,00000	1,00000	1,00000
																												10118.8

17/11
 per
 m³/D added;
 column same as
 Table 1a
 or

FINAL

WASKADA UNIT 16 TRACT PARTICIPATION Mar 02/87

TRACT #	WELL LOCATION	LAND DESCRIPTION	ROYALTY OWNER	TRACT PARTICIPATION	WIO	W.I.O. BPO	W.I.O. APO	SHARE OF TRACT PARTICIPATION BPO (%)	SHARE OF TRACT PARTICIPATION APO (%)
1	10-5			0.02833	ENRON CHAUVCO HIGHBRIDGE AUDAX	0.50 0.125 0.25 0.125	0.50 0.125 0.25 0.125	0.01417 0.00354 0.00708 0.00354	0.01417 0.00354 0.00708 0.00354
2	3-4			0.04296	ENRON CONSOLIDATED	0.50 0.50	0.50 0.50	0.02148 0.02148	0.02148 0.02148
3	15-4			0.05892	ENRON CONSOLIDATED	0.00 1	0.50 0.50	0.00000 0.05892	0.02946 0.02946
4	15-5			0.02846	ENRON CHAUVCO HIGHBRIDGE AUDAX	0.50 0.125 0.25 0.125	0.50 0.125 0.25 0.125	0.01422 0.00354 0.00712 0.00356	0.01422 0.00354 0.00712 0.00356
5	11-4			0.05371	ENRON CONSOLIDATED	0.50 0.50	0.50 0.50	0.02686 0.02686	0.02686 0.02686
6	16-5			0.04579	ENRON CHAUVCO HIGHBRIDGE AUDAX	0.50 0.125 0.25 0.125	0.50 0.125 0.25 0.125	0.02290 0.00572 0.01742 0.00572	0.02290 0.00572 0.01742 0.00572
7	14-4			0.06572	ENRON CONSOLIDATED	0.50 0.50	0.50 0.50	0.03286 0.03286	0.03286 0.03286
8	4-9			0.07014	ENRON CHAUVCO HIGHBRIDGE AUDAX	0.50 0.125 0.25 0.125	0.50 0.125 0.25 0.125	0.03507 0.00877 0.01753 0.00877	0.03507 0.00877 0.01753 0.00877
9	2-9			0.07670	ENRON	1.00	1.00	0.07670	0.07670
10	12-4			0.06290	ENRON CONSOLIDATED	0.50 0.50	0.50 0.50	0.03145 0.03145	0.03145 0.03145
11	13-4			0.08937	ENRON CONSOLIDATED	0.00 1	0.50 0.50	0.00000 0.08937	0.04468 0.04469
12	4-4			0.07565	ENRON CONSOLIDATED	0.50 0.50	0.50 0.50	0.03783 0.03782	0.03783 0.03782
13	6-4			0.07496	ENRON CONSOLIDATED	0.50 0.50	0.50 0.50	0.03748 0.03748	0.03748 0.03748
14	5-4			0.11594	ENRON CONSOLIDATED	0.00 1	0.50 0.50	0.00000 0.11594	0.05797 0.05797
15	9-5			0.11045	ENRON CHAUVCO HIGHBRIDGE AUDAX	0.50 0.125 0.25 0.125	0.50 0.125 0.25 0.125	0.05522 0.01381 0.02761 0.01381	0.05522 0.01381 0.02761 0.01381
	TOTAL			1.00000				1.000000	1.000000
					ENRON CONSOLIDATED	0.40624		0.53835	0.53835
					CHAUVCO	0.45217		0.32006	0.32006
					HIGHBRIDGE	0.03540		0.03540	0.03540
					AUDAX	0.07079		0.07079	0.07079
						0.03540		0.03540	0.03540

TABLE SHOWING ROUNDED! (ie 5 decimal places only.)
NUMBERS for EXHIBIT A & D

Enron Unit No. 16 - Production Discrepancies:

	Mo. 1		Mo. 2		Mo. 3		Mo. 4		Mo. 5		Cumm.	m ³ /d	Total	m ³ /d	Total
13-4	4	51.3	31	310.3	28	237.5	25	206.6	25	191.4	113	997.1	8.824	.0969	.1017
4-9	23	179.1	21	162.4	26	198.9	31	193.2	31	177.8	132	911.4	6.905	.0768	.0946

		ours	theirs
Prov.	13-4	.0993	.0830
Freehold.	4-9	.0857	.0833 ✓

Boone Rich Schultz.

#s Enron has given us for monthly production reports - differ.

MISSING

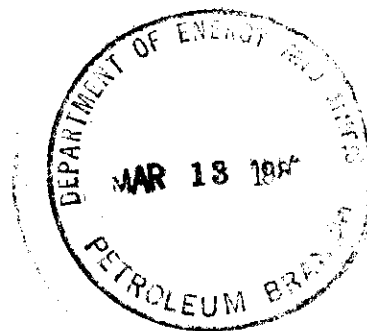
Unit No.16 / Enron Porosity Thickness Factors

location	ϕt -logs	ϕt factor	ϕt factor/Enron	
10-5	.54	.066	.045	
3-4 Prov.	.25	.030	.075	
15-4 Prov.	.76	.092	.107	
15-5	.64	.078	.032	
11-4 Prov.	.38	.046	.085	1'sonic
16-5	.88	.107	.053	
14-4 Prov.	.55	.067	.103	
4-9	.71	.086	.054	
2-9	.73	.089	.065	
12-4 Prov.	.29	.035	.039	
13-4 Prov.	.30	.036	.081	
4-4 Prov.	.45	.055	.067	
6-4 Prov.	.50	.061	.054	
5-4 Prov.	.60	.073	.079	1'sonic
7-5	<u>.66</u>	.080	.060	"

TOTAL= 8.24

Enron's ϕt factors definitely favor Prov. wells, according to our log data (backed up by core).

DELIVERED VIA COURIER



9 March 1987

Manitoba Department of Energy & Mines
Petroleum Branch
555 - 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. L.R. Dubreuil,
Chief Petroleum Engineer,
Petroleum Branch

Dear Sir:

Re: Waskada, Manitoba
Waskada Unit No. 16
Unit Agreement

Enclosed herewith are two (2) copies of the Unit Agreement for the proposed Waskada Unit No. 16. Enron Oil Canada Ltd., as Unit Operator, requests Manitoba Department of Energy & Mines, as a Royalty Owner, to execute and return one (1) copy of the agreement.

The tract participation was based upon a 60% productivity factor and a 40% oil-in-place factor. The productivity factor is composed of two parts with a fifty/fifty split. The first part is the average oil rate per operating day during the first five months of operation and the second part is the total m³ of oil produced during the same period. The supporting data for the tract participation is attached.

Enron plans to have an Effective Date of April 1, 1987 and therefore your prompt attention to this matter would be appreciated.

ENRON
Oil Canada Ltd.

Should you have any questions regarding this documentation,
please contact the undersigned at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.

A handwritten signature in black ink, appearing to read "R.A. Schultz", written in a cursive style.

R.A. Schultz,
Production Manager

RAS:pdc
attach

TABLE No. 1 JAN 1 - '87

UNITPROD.MP

WASKADA

INITIAL PRODUCTION

SUMMARY

the composite factor uses

the two values below

0.5 0.5

WELL	DATE ON	--FIRST MONTH--			--SECOND MONTH--			--THIRD MONTH--			--FOURTH MONTH--			--FIFTH MONTH--			AVERAGE TOTAL	3	3/DAY TOTAL	3 COMP.
LOCATION	PRODUCTION	# DAYS	3 OIL	# DAYS	3 OIL	# DAYS	3 OIL	# DAYS	3 OIL	# DAYS	3 OIL	# DAYS	3 OIL	# DAYS	3 OIL	# DAYS	3 OIL	FACTOR	FACTOR	FACTOR
10-5	JAN 86	26	55.3	28	35.7	16	21.8	7	15.8	31	34.1	1.6243	162.7	0.0181	0.0169	0.0175				
3-4	JULY 86	23	69.1	31	54.6	30	41	31	37.2	28	34.4	1.7122	236.3	0.0191	0.0246	0.0218				
15-5	DEC 85	14	56.9	31	66.1	28	48.1	18	25	20	57	2.4307	253.1	0.0271	0.0263	0.0267				
15-4	AUG 85	2	9.5	29	107.7	31	59.1	30	48.2	31	50	2.7180	274.5	0.0303	0.0285	0.0294				
X 11-4	FEB 86	25	23	94.9	18	46.8	7	28.9	31	80.2	31	66.8	3.0533	317.6	0.0341	0.0330	0.0336			
16-5	JULY 85	3	16.8	31	134.8	30	97.4	31	91.2	30	82.7	3.7787	422.9	0.0422	0.0440	0.0431				
14-4	FEB 86	15	72.1	18	64.7	7	34.1	31	111.7	31	93.2	3.9764	375.8	0.0444	0.0391	0.0417				
4-9	OCT 84	21	162.4	26	189.3	31	193.2	31	177.8	28	169.7	6.6095	892.4	0.0738	0.0928	0.0833				
2-9	JULY 86	19	199.9	27	199.2	30	190	26	27	160	30	156.1	7.1179	905.2	0.0795	0.0941	0.0868			
13-4	AUG 85	2	6.7	8	51.3	31	310.3	28	237.5	25	206.6	7.3037	612.3	0.0815	0.0845	0.0830				
12-4	FEB 86	28	234.9	18	107.4	7	71.8	22	178.9	31	148.7	7.5083	741.7	0.0838	0.0771	0.0805				
4-4	FEB 86	12	98.4	18	140.6	7	72.4	21	177	31	215.3	8.3455	703.7	0.0932	0.0732	0.0832				
6-4	FEB 86	10	98.5	18	132.2	7	76.1	18	184	28	244.3	9.4026	735.1	0.1050	0.0764	0.0907				
5-4	AUG 85	5	63	27	323.9	31	332.6	30	298.6	26	289.8	11.2850	1307.9	0.1260	0.1360	0.1310				
9-5	NOV 85	16	189.1	26	267.6	26	415.7	28	406.6	18	196	12.7163	1477	0.1420	0.1536	0.1478				

TOTAL

89.5813

9618.3

6-4 100% 100% 100% 100% 100%
7-4 100% 100% 100% 100% 100%
8-4 100% 100% 100% 100% 100%
9-4 100% 100% 100% 100% 100%
10-4 100% 100% 100% 100% 100%
11-4 100% 100% 100% 100% 100%
12-4 100% 100% 100% 100% 100%
13-4 100% 100% 100% 100% 100%
14-4 100% 100% 100% 100% 100%
15-4 100% 100% 100% 100% 100%
16-4 100% 100% 100% 100% 100%
17-4 100% 100% 100% 100% 100%
18-4 100% 100% 100% 100% 100%
19-4 100% 100% 100% 100% 100%
20-4 100% 100% 100% 100% 100%
21-4 100% 100% 100% 100% 100%
22-4 100% 100% 100% 100% 100%
23-4 100% 100% 100% 100% 100%
24-4 100% 100% 100% 100% 100%
25-4 100% 100% 100% 100% 100%
26-4 100% 100% 100% 100% 100%
27-4 100% 100% 100% 100% 100%
28-4 100% 100% 100% 100% 100%
29-4 100% 100% 100% 100% 100%
30-4 100% 100% 100% 100% 100%
31-4 100% 100% 100% 100% 100%



Energy and Mines

Petroleum

555 — 330 Graham Avenue
Winnipeg, Manitoba, CANADA
R3C 4E3

(204) 945-6577

November 12, 1986

Enron Oil Canada Ltd.
1300, 700 — 9th Avenue S.W.
CALGARY, Alberta
T2P 3V4

Attention: R.A. Schultz
Production Manager

Dear Rick:

Re: Waskada unit No. 16
Unit Agreement

You letter of November 5, 1986 with attached draft of the subject Unit Agreement is acknowledged.

Upon review of the draft document, we have the following comments and suggested changes. Note, suggested changes are underlined for emphasis.

Section 101(a) The Oil and Natural Gas Conservation Board should be capitalized.

101(s) & The Mines Act should be capitalized.
1312

101(t) The official well name is "Andex et al Waskada Prov.
13-4-2-25 (WPM).

"logs" should not be pluralized.

see note on Exhibit C regarding accuracy of depth
descriptions.

201(a) which numbers and describes each tract.

cont'd...

201(c) Logs shown on Exhibit C also include Sonic, Gamma Ray and SP.

Log reference between Section 101(t) and this section should be consistent (i.e. 101(t) refers to induction electric logs and 201(c) refers to Dual Induction Laterlog).

1310 Section should be rewritten as follows:

"In this agreement, all times are official times as defined in The Official Time Act of the Province of Manitoba.

1403 Suggest that the release date be later (say May 1, 1987) to avoid problems should royalty and working interest owner consents not be promptly available.

Exhibit C

The following is suggested:

- a) Eliminate reference to "Spearfish". This is not defined in the Agreement and it is not proper Manitoba geological terminology.
- b) Replace "Tilston" with "Base of Lower Amaranth".
- c) Refer to "Top of Lower Amaranth".
- d) The Lower Amaranth limits are not exactly 865 mkB and 895 mkB. These depths should be expressed accurately to one decimal place.
- e) Remove indicated core and perforated intervals as these have no bearing on definition of the Lower Amaranth.

Yours sincerely,

[Handwritten signature]

L.R. Dubreuil
Chief Petroleum Engineer
Petroleum Division

LRD:dah

ENRON OIL CANADA LTD.

1300, 700 - 9th Avenue S.W., Calgary, Alberta T2P 3V4

(403) 298-2600

5 November 1986

Manitoba Energy and Mines
#555, 330 Graham Avenue
Winnipeg, Manitoba
R3C 4E3

Attention: Mr. L.R. Dubreuil,
Chief Petroleum Engineer,
Petroleum Branch



Dear Sir:

Re: Draft #2 - Unit Agreement
Waskada Unit No. 16

Please find attached a draft copy of the Unit Agreement pertaining to Waskada Unit No. 16. Exhibit A of the agreement is not complete as the tract participation factors have not been decided upon and the Titles Committee have not completed the titles evaluation.

Enron Oil Canada Ltd. requests Manitoba Energy and Mines to review and comment on the subject agreement. Once the comments are received and Exhibit A is complete, a copy of the agreement will be sent to the Royalty Owners and Working Interest Owners for execution.

If you have any questions regarding the enclosed agreement, please contact the undersigned at your convenience.

Yours very truly,

ENRON OIL CANADA LTD.

A handwritten signature in dark ink, appearing to read "R.A. Schultz".

R.A. Schultz,
Production Manager

RAS:pdg



Date: August 20, 1986

To: Clare Moster

Petroleum Branch

Action / Route Slip

From: Office of the Deputy Minister
Manitoba Energy and Mines
Room 309
Legislative Building
Winnipeg, Manitoba
R3C 0V8

☐ Take Action

☐ Per Your Request

☐ Circulate, Initial
and Return

☐ For Approval and
Signature

☐ Make _____ Copies

☐ May We Discuss

☐ For Your Information

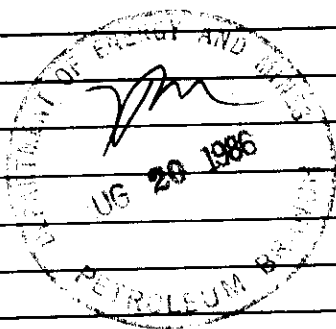
☐ Return With Comments
or Revisions

☒ Draft Reply for
Signature
Chairman

☐ Please File

Comments:

Rose





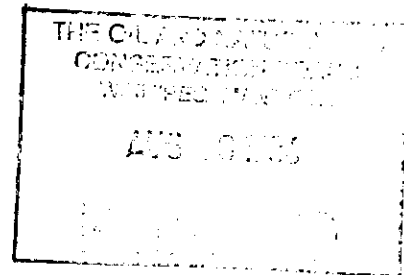
ANDEX OIL CO. LTD.

Western Canadian Place
1300, 700 -9th Avenue S.W.
Calgary, Alberta T2P 3V4
Telephone (403) 298-2600

1986 August 13

Oil and Gas Conservation Board,
Room 309, Legislative Building,
Winnipeg, Manitoba
R3C, 0V8

Attention: Mr. Charles Kang,
Chairman



Dear Sir:

Re: Lower Amaranth Unitization
Proposed Unit No. 16
Waskada Area, Manitoba

This letter serves to inform the Oil and Gas Conservation Board of the status of a proposed Unit in Waskada and the plans to proceed with a unitization hearing under the Mines Act, Subsection 76(1).

Andex Oil Co. Ltd. is interim Unit Operator of a proposed Waskada Unit No. 16 in the Lower Amaranth pool near Waskada Manitoba. During the first Operators' Meeting of August 7, 1986 there was agreement to proceed with unitization. However, Chauvco Resources Ltd. had stated that it will not agree to the waterflood application or the Unit Agreement. The remaining Working Interest Owners have agreed to form a Unit in good faith. The final participation formula has not been agreed upon, however, Chauvco holds approximately 3.5 percent in the proposed Unit based upon land holdings.

ANDEX OIL CO. LTD.

Andex plans to continue with the unitization proceedings and send copies of the Unit Agreement to all Working Interest Owners and Royalty Interest Owners for execution. Once greater than 75 percent of the Working Interest Owners and greater than 75 percent of the Royalty Interest Owners execute the Unit Agreement, Andex Oil Co. Ltd. will formally request a hearing to form a Unit.

If you have any questions please contact the undersigned at (403) 298-2656.

Yours very truly,

ANDEX OIL CO. LTD.



R.A. Schultz,
Chairman, Operators' Committee

RAS:pdc

cc: R.A.W. Smith
Consolidated Pipe Lines Company
Audax Gas & Oil Ltd.
Chauvco Resources Ltd.
Highridge Resources Ltd.
K&K Enterprises Ltd.