Ministry of Energy, Mines and Petroleum Resources Parliament Buildings Victoria British Columbia V8V 1X4

Murphy Project #2 (3)

Opposals.

Ref. No. 85298

1985 03 13

Murphy Oil Company Ltd.
P.O. Box 2721
Calgary, Alberta
T2P 3Y3

Attention: Mr. C.S. Sherwin, P. Eng.

Dear Sir:

Re: Application for Concurrent Production Murphy et al Elm d-83-C/94-H-7 Elm Halfway 'B' Pool

This acknowledges receipt of your application dated 1985 02 28 requesting approval for a concurrent production scheme in the Elm Halfway 'B' pool.

The Division's geological interpretation indicates that the Elm Halfway 'A' and 'B' pools are single well pools. This interpretation was discussed in our letter of 1984 02 27 and a concurrent production scheme was approved for the Elm Halfway 'A' pool.

The d-83-C well was recompleted and tested oil, therefore, it has now been reclassified from a gas to an oil well.

Since d-83-C is the only well capable of production from the Elm Halfway 'B' pool, your application for concurrent production is hereby approved subject to the following conditions:

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- 1. The area of concurrent production consists of units 72, 73, 82 and 83 Block C/94-H-7.
- 2. The oil allowable for the well, based on volumetric oil reserves in the oil spacing area, is  $6.3 \text{ m}^3/\text{d}$ .
- 3. The gas allowable for the area, based on volumetric gas reserves in the area of approval, is  $14.4 \, 10^3 \text{m}^3/\text{d}$ .
- 4. Gas production will be conserved.
- 5. This approval could be modified at a later date if deemed appropriate through a change in circumstances.

Please note that if additional oil wells are drilled within the approval area, the gas allowable (revised if necessary) will have to be shared by the oil wells.

Yours truly,

K.\J. Hindmarch

Director, Engineering and Operations

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cc: D.L. Johnson