Parliament Buildings Victoria British Columbia V8V 1X4

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Ref. No. 7463

1979 08 31

Petro Canada P.O. Box 2844 Calgary, Alberta T2P 2M7

Attention: Mr. M. N. Kinakin

Chief Reservoir Engineer Conventional Production

Dear Sir:

Re: Application for Concurrent Production Stoddart Cecil Pool

With reference to your application dated 1979 08 17 we enclose a copy of the approval of your application for the Stoddart Cecil 'C' pool.

The Cecil 'B' pool has been subdivided into 'B' and 'C' pools based on a review of the pressure data. We are mapping A6-19 and 11-20-86-19 in the Cecil 'B' pool and 16-19-86-19 in the Cecil 'C' pool. The well A6-19 is completed in the oil leg of the Cecil 'B' pool with 11-20 in the gas cap.

As you are aware Kaiser Oil Ltd. has made an objection to your application. At the present time, the A6-19 well is producing its allowable at solution GOR and we can see no advantage in a concurrent depletion approval in this pool at this time. However, should performance deteriorate, you may wish to re-apply for concurrent depletion requesting such oil and gas allowables as are justifiable on an engineering basis so that the ultimate recovery of oil from the pool is not jeopardized. At that time, of course, Kaiser's well in 11-20 would be granted a gas-cap allowable and be permitted to produce.

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The Cecil 'C' pool is a special case with a very unusual reservoir pressure performance and high gas-oil ratio, therefore, a concurrent production scheme is approved only for this pool.

Yours truly,

PETROLEUM RESOURCES BRANCH

W. Course

A. G. T. Weaver Chief Engineer (604) 387-5993

PSA:sak

Encl.

cc Mr. J. Shea, Kaiser Oil Ltd.