

C/P1

44-21-0

May 27, 1968

Pacific Petroleum Ltd.
P.O. Box 6666
Calgary, Alberta

Attention: A. D. Rogan

Dear Sir: Re: Application for Good Engineering Practice,
Clarke Lake Field, B. C.

This is to advise that your application for production of wells in the Clarke Lake area according to Good Engineering Practice is approved, subject to the following conditions.

1. Total production rate from the approval area is not to exceed 400 Mscf/d, at a pressure base of 14.65 psia.
2. The approval area comprises all gas spacing units within the official Clarke Lake Field boundary, as defined at May 31, 1966, except for that area defined under (3) below. In addition, the approved area includes the gas spacing units on which the wells d-29-K and c-50-K / 94-J-9 are drilled.
3. Wells within the area defined below will be restricted to a rate not in excess of their official production rate limit, as determined annually.

National Topographic Series 94-J-10, Block G,
Units 52, 53, 54, 55, 56, 57, 62, 63, 64, 65, 66, 67, 72,
73, 74, 75, 76, 77, 82, 83, 84, 85, 86, 87

The wells currently affected by this stipulation are listed below, together with the most recently approved PRL.

	Well	PRL, Mscf/d	Approval date
1528	Marathon Clarke a-55-G	3.950	Sept. 1, 1967
2776	Canke Canadian Superior Clarke d-72-G	30.000	Oct. 9, 1967
1076	Pacific Apache Clarke b-73-G	3.217	Sept. 1, 1967

ImGEP as of March 72 - see letter
Jan 70.

4. An annual progress report is to be filed with the Petroleum and Natural Gas Branch by March 31 each year, covering the performance during the preceding calendar year. This report should present a general performance review and should include:

- (a) individual well production data
(gas and pro-rated water)
- (b) stabilized water production test data
- (c) static reservoir pressure data from all wells
- (d) water disposal data (rates and pressures)
- (e) brief review of work carried out during year (workovers, new wells drilled, additional reservoir data or studies).

This approval for Good Engineering Practice is effective June 1, 1963. It is subject to periodic review and amendment if deemed necessary by the Chief of the P. & N.G. Branch.

Yours truly,

MINISTER

AJD:nh