

Province of British Columbia

ASSISTANT DEPUTY MINISTER

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

Ref. No. 88758

bcc: Approvals catalogue (J. Burt) Reservoir Geology

June 13, 1988

Ms. E. Sorensen Total Petroleum Canada Ltd. 639 Fifth Avenue S.W. Calgary, Alberta T2P 0M9

(Total) GEP Project (2)

Dear Ms. Sorensen:

Re: Daiber Field Application Good Engineering Practice

The Ministry of Energy, Mines and Petroleum Resources has reviewed the application dated April 4, 1988 requesting Good Engineering Practice for producing natural gas from the Baldonnel 'A' pool in the Daiber Field.

Total Petroleum Canada Limited, as operator, is hereby given approval under Division 77 of the British Columbia Drilling and Production Regulations for Good Engineering Practice (GEP) to produce natural gas from the Baldonnel 'A' formation from wells located at c-56-D/94-B-16 and c-76-D/94-B-16 subject to the following terms and conditions:

- 1. The Ministry accepts the field title "Daiber" referring to the gas bearing Baldonnel 'A' formation observed in wells located at c-56-D/94-B-16 and c-76-D/94-B-16.
- The area of approval for the GEP is confined to locations within units 54, 55, 56, 57, 64, 65, 66, 67, 74, 75, 76, 77, 84, 85, 86, and 87 inclusive all in Block D of NTS 94-B-16.
- 3. The Baldonnel 'A' formation is observed at well location c-56-D/94-B-16 between the perforated interval -1551 mss and -1632 mss and at well location c-76-D/94-B-16 between -1407 mss and -1560 mss.

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- 4. The daily gas allowable for the GEP area has been set at 211 10³m³/day. Natural gas reserves for the Baldonnel 'A' formation within the GEP area have been set at 769 10⁶m³.
- 5. The Ministry agrees that producing the well c-56-D at the start of the pool depletion schedule, will result in water production which could trap gas and reduce ultimate recovery.

 Therefore, the pool allowable may be produced from well c-76-D at the start of the depletion schedule.
- 6. An annual progress report is required covering the 12 calendar months after the commencement of production and every 12 months thereafter. The progress report should be submitted no later than 2 months after the 12 month reporting period. The progress report should contain the following:
 - i) A list of the monthly and daily average for the month, gas, water and condensate production.
 - ii) Annual subsurface pressure surveys of the Baldonnel 'A' formation at c-56-D and c-76-D. Subsurface pressure surveys may be reduced to one per year when the Ministry is satisfied that both wells are in communication in the Baldonnel 'A' pool.
 - iii) Summary of work performed on the wells and at the gas plant.
 - iv) List of capital additions to the gas plant and gathering facilities.
 - v) Plans for the following year.

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7. This approval will be modified at a later date if deemed appropriate as circumstances change.

Yours truly,

E. R. Macgregor

Assistant Deputy Minister Energy Resources Division

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cc: D.L. Johnson