1978 05 31

Mobil Oil Canada, Ltd.
P.O. Box 800
Calgary, Alberta
T2P 2J7

Attention: Mr. H.S.H. Aitken, P. Eng.,
Engineering Manager.

Dear Sir:

Re: Application for Good Engineering Practice
Sierra Field - Pine Point "A" Pool

With reference to your application dated March 28, 1978 and a subsequent
meeting of Mobil and Branch staff on April 19 to discuss the method
used by Mobil to establish porosity in the pool, we enclose a copy of
the approval of the application.

The Branch's latest estimate of recoverable raw gas from the pool is
492.1 BSCF and the allowable approved under GEP is 136.694 MMSCF/D.
The factors employed to derive the recoverable reserve are discussed in
the attached review by the reservoir geology and reservoir engineering
sections. In addition, the review discusses the reasons why the Branch
is unable to accept the gas-in-place indicated by the pressure-pro-
duction performance plot.

As you are aware from our Memo to All Operators dated January 24, 1978
the Branch is prepared, on application, to approve a monthly gas volume
up to 125 percent of the assigned daily gas allowable multiplied by the
number of days in the month. When you make your decision on the size
of the expansion of the Sierra plant, you may wish to consider this
option both for the Pine Point "A" Pool and for other wells you may
connect to the plant.

Yours truly,

PETROLEUM RESOURCES BRANCH

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

Ref. No. 5228

BHB:km

C.C. D.L. Johnson
W.L. Ingram
P.K. Huus