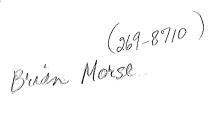
Parliament Buildings Victoria British Columbia V8V 1X4



March 20, 1990

Mr. Byron C. Lutes Suncor Inc. P.O. Box 38 500 - 4th Avenue S.W. Calgary, Alberta T2P 2V5 Surear Project (02)

Dear Mr. Lutes:

APPLICATION FOR CONCURRENT PRODUCTION LAGARDE-DUNLEVY "B" POOL

This refers to your application of January 26, 1990, requesting concurrent production approval from the subject pool.

The Division's geological and engineering interpretation is very similar to the one presented by your company. The pool has been delineated with the drilling of infill wells and it is agreed that oil recoveries cannot be improved significantly by gas injection because of the risk of gas coning due to high vertical permeabilities.

Notice of your application was published on February 22 and March 1, 1990, in the British Columbia Gazette. As no written objections were received, Suncor Inc., as operator, is hereby given approval under section 113 of the Petroleum and Natural Gas Act to produce oil and gas concurrently under good engineering practice from the Dunlevy "B" pool of the Lagarde field subject to the following terms and conditions:

- 1. The area of approval is sections 20, 28 and SE 1/4 29-87-15 W6M. (Lsds 1, 2, 7, 8).
- 2. The daily oil allowable for the area, based on the sum of the individual allowables, is 47.2 m³.

Mr. Byron C. Lutes March 20, 1990 Page 2

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affortive 190. Odober 21/90. (aller attacked) 3. Gas production from the area will be limited to 40 $10^3 \text{m}^3/\text{d}$.

4. All gas production will be conserved.

The effective date of the approval will be the date the Division is advised of the completion of the gas conservation facilities.

The approval is subject to periodic review and may be modified at a later date by the Director, Engineering and Operations, if deemed appropriate through a change in circumstances.

Yours sincerely,

John Allan

Assistant Deputy Minister Energy Resources Division

cc: D.L. Johnson
Manager, Field Operations

bcc: √S. Foofat

S. Chicorelli

L. Macgregor



Production Division

1990-10-24

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

Attention: P. S. Attariwala, P.Eng. Reservoir Section

APPLICATION FOR CONCURRENT PRODUCTION, LAGARDE DUNLEVY "B" POOL

Dear Mr. Attariwala:

Pursuant to the British Columbia Government's response of March 20, 1990, to Suncor's subject application, this letter confirms that construction of the gas conservation facilities has been completed. This satisfies condition 5 of the March 20 response.

Sincerely,

Brian Morse, P.Eng. Reservoir Engineer

E operational 13/90.

ENERGY RESOURCES DIVISION FILE ROOM