Parliament Buildings Victoria British Columbia V8V 1X4

Ref. No. 8617

1980 05 16

Esso Resources Canada Limited Producing Department 500 - 6th Avenue, S.W. Calgary, Alberta T2P 0S1

Attention: Mr. J. D. McFarland, P. Eng.

Reservoir Engineering Manager

Dear Sir:

(ESSO) GEP PROSECT (Z) Re: Application for Daily Oil Allowable Boundary Lake Field, Halfway 'A' Pool, GEP Area

Dung

Enclosed please find our approvals for a Daily Oil Allowable of 38.5 m³ for the GEP area and 9.8 m^3 for the well 5-14-85-14. The allowable for the 5-14-85-14 well is included in the 38.5 m3/d allowable for the GEP area.

Since the Halfway oil well 5-14-85-14 is directly off-set by the Halfway oil well 11-14-85-14, lying outside the GEP area, the 5-14 well has been given an individual well allowable. The only way this restriction may be removed is for the offsetting operator to waive the application of this restriction in writing.

The GEP allowable may be revised dependent on the results of further drilling.

Yours truly,

PETROLEUM RESOURCES BRANCH

B. T. Barber

Senior Reservoir Engineer

(604) 387-5993

PKH:sak

Encl.

D. L. Johnson CC