

# Oil and Gas Commission

## Memorandum

December 14, 1998

**To:** File 600-2600-59240-06

**From:** Ron Stefik  
Sr. Reservoir Engineering Technician

**RE: GEP APPROVAL**  
**BEATTON RIVER WEST - BLUESKY "A" POOL**

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The Beatton River West Bluesky A pool was discovered in 1959 and has been under waterflood since 1964. The subject GEP concerns 4 wells outside of the unitized waterflood approval area, at least one of which has been responding favourably to the waterflood.

The well d-68-K/94-H-2, north of the waterflood Unit, has been experiencing increasing oil rates and a corresponding decrease in GOR. The well is now restrained by its individual DOA of 10.0 m<sup>3</sup>.

CNRL has a 94.4% interest in the waterflood Unit, however enlarging the Unit to include the northern wells, or injecting water on behalf the north wells through the Unit, would involve amendment to a complex agreement. Also, the two remaining oil producers within the Unit are marginally economic with high watercuts, waterflood operation may cease while the GEP wells continue to produce. Therefore a GEP approval is more appropriate.

The GEP allowable is the sum of DOAs for the 4 wells within the approval area. CNRL plans to test produce the other wells soon, hoping that the waterflood has banked oil to wells 67 and 78-K that have long been suspended.

The majority of produced gas from d-68-K is used as lease fuel gas, the small remainder is flared. Conservation may be required if gas rates increase as more GEP wells are brought on production.

Presently CNRL holds 75% interest in land tenure covering the GEP area, soon to be 100%, so equity is not an issue.

The effective approval date for DOA purposes shall be November 1, 1997, in order to alleviate the present overproduction. No sacrifice to royalties, conservation or equity will result.