



June 4, 1999

1880-6200-59240-06
OGC 990371

Suncor Project (02)

Mr. Ian Crane, P.Eng.
Exploitation Engineer
Suncor Energy Inc.
P. O. Box 38
112 4th Avenue SW
Calgary AB T2P 2V5

Dear Mr. Crane:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
BOUDREAU BELLOY "A" POOL**

Attached is a Good Engineering Project (GEP) scheme approval for the subject pool, as requested in your application of February 17 and April 30, 1999.

The Approval 99-06-003 is hereby granted under Part 8, Division 6, section 101 of the British Columbia *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility for producing oil wells without individual daily oil allowables. It is noted that produced gas will be flared, as there is no gas gathering facility in the area. Conservation of the produced gas may be required if the volume becomes excessive.

Please note that this approval may be amended if an oil well outside the project area is successfully completed in the subject pool by another operator.

Sincerely,

B. van Oort, P. Eng.
Director
Engineering and Geology Branch

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- R. Stefik
- G. Farr

Email

- D. Krezanowski
- S. Chicorelli

ENGINEERING AND GEOLOGY BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 99-06-003

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION

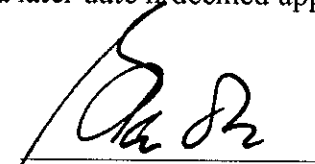
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Suncor Energy Inc. (Suncor) for producing Boudreau Belloy "A" oil pool under a project allowable.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Suncor as such scheme is described in

an Application from Suncor to the Commission dated February 1 and April 30, 1999.

This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of N/2 sec 13-84-21 W6M.
2. The project oil allowable, being the sum of individual allowables, is 76.1 m³/d.
3. Royalty free oil production from the discovery well 14-13-84-21 W6M (WA 10545) is limited to 11,450 m³ or the volume produced in the first 36 months, whichever is lesser.
4. An oil well may be drilled anywhere within the project area provided that it is not nearer than 100 m to the sides of the project area.
5. This approval may be modified or rescinded at a later date if deemed appropriate.



Bou van Oort
Director
Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this ~~1~~⁴ day of June 1999.

Notes to file (May 10, 1999):

RE: Suncor's GEP/Concurrent application for the Boudreau Belloy "A" oil pool.

In their application of April 17, 1999 Suncor request a GEP with concurrent production approval for the subject pool. As there is no gas gathering line nearby, Suncor plans to flare all produced gas. The requested allowables are as follows:

DOA=91.2 m³/d and DGA=16.1 e3m³/d (using a nominal GOR of 177 m³/m³).

Suncor did not include a net pay oil map for the pool. The OGC geology map includes 5 wells in the pool, which are as follows:

(10545) Suncor 14-13; (11308) Suncor 6-13; (11309) Suncor 15-13; (11478) Suncor 10-13 and (11410) ARL 9-23-84-21 W6M.

It is worth noting that the 9-23 oil well is an Anderson operated well. The oil well has been tested at rates of about 6.4 m³/d and GOR of 1435 m³/m³. Anderson has not produced the well beyond its test rates.

Recommended OGC Action:

Suncor was asked to submit a map showing their current interpretation of the pool. A map dated April 30 was sent to the OGC, this map shows 3 separate oil pools in the Boudreau area (vs. 1 pool mapped by OGC). Suncor advises that the map is based on Anderson's 3D seismic data and reservoir pressure data.

OGC geologist is not convinced about Suncor's interpretation as supporting seismic lines were not submitted and the pressure data is inconclusive and can't be used to justify splitting the pool.

It was decided that we publish a notice of the application in the BC gazette. If Anderson does not object, approve only a GEP for N/2 sec 13-84-21 W6M with a project DOA of 76.1 m³/d, being the sum of DOA for the two wells in the area. No gas allowable will be issued and a nominal GOR of 177 m³/m³ will apply to ensure that excessive gas is not flared. If, however, Anderson objects to the proposal, we could justify to them that only a GEP approval with the sum of two DOA's is being considered for N/2 sec 13. A concurrent production approval will not be granted, as the produced gas is being flared. OGC map for the Boudreau Belloy "A" oil pool will remain unchanged until some new data is provided to justify re-mapping.

As there may be equity issues because of the Anderson well, a notice must be published in the BC Gazette.