## Oil and Gas Commission

Approval Letters to Industry
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Ref: OGC990011 File: 2960-4520-59240-10

January 5, 1999

Mr. Don Van Tetering Sr. Production Engineer NCE Resources Group 2300 Canada Trust Tower 421 - 7<sup>th</sup> Ave. S.W. Calgary, AB T2P 4K9

Dear Mr. Van Tetering:

NCE Project (03)

RE: GAS INJECTION SCHEME - TEST APPROVAL CECIL LAKE - CECIL "D" POOL

The Commission has reviewed your application dated December 14, 1998, requesting a period of reduced gas injection into the subject pool in order to evaluate pool production response. A gas injection pressure maintenance scheme was approved for this pool September 13, 1989, requiring all produced solution gas in excess of that required for lease fuel be injected.

Oil recovery to-date has shown a favourable response to gas injection. Pool oil production rates have been declining steadily in recent years, accompanied by increasing GOR. We agree that additional data may be beneficial in planning operational strategies to further optimize oil recovery.

Therefore, approval is hereby granted under the authority of section 101 of the *Drilling and Production Regulation* to reduce gas re-injection under the following conditions;

- 1. Gas injection may be limited to 24.0 e<sup>3</sup>m<sup>3</sup>/d for a period of not more than 3 calendar months.
- 2. A test report must be submitted to the Commission no later than 90 days following the termination of the test, including daily oil and gas rates.
- 3. Upon termination of the test a pool pressure survey must be conducted and the results submitted as per section 95 of the *Regulation*.

Please note that the scheme daily oil allowable of 71.5 m<sup>3</sup> is subject to a GOR adjustment factor based on net gas production (produced gas minus credit for injected volume).

Should you have any questions, please contact Ron Stefik at (205) 952-0310.

Sincerely

Bou van Oort

Director

Engineering and Geology Branch

Phone: (250) 952-0302 Fax: (250) 952-0291