



July 20, 2000

7745-4520-59240-06
OGC - 000196

Mr. Bruce Rauch, P. Eng.
Northern Operations Reservoir Leader
Imperial Oil Resources
237 - 4th Avenue S.W.
Calgary AB T2P 3M9

Dear Mr. Rauch:

**RE: ANNUAL ALLOWABLE
GOOD ENGINEERING PRACTICE
SATURN CECIL "A" POOL**

The Commission has reviewed your application dated June 27, 2000 requesting annual production allowable under Good Engineering Practice (GEP) for the subject pool.

Based on economic evaluation, you have concluded that implementation of a waterflood is uneconomic and that the pool should be produced under primary recovery mechanism with gas flaring. Oil wells within the Saturn Cecil "A" pool have been produced with annual production allowable under a temporary Good Engineering Practice (GEP) scheme approval # 97-06-002 Amendment #1 with gas flaring. Cumulative production from the pool has been 25,815 m3 of oil and 5,370 e3m3 of gas. The GEP terminated on October 31, 1999 (ref: Letter from the Commission dated October 7, 1998).

We wish to draw your attention to a telephone conversation between our Mr. Peter Attariwala and your Mr. Rob Thode on July 11, 2000. It was pointed out to Mr. Thode that the request of another annual approval with gas flaring from the pool is considered premature at this time. In order for the Commission to consider your request, we would require the following:

1. Current reservoir pressure to estimate the relative size of the oil pool.
2. Technical and economic evaluation of produced gas re-injection scheme.

SG test run 2000/08/02

Should you have any questions, please contact Peter Attariwala at (250) 952-0311.

Sincerely,

Craig Gibson, P. Eng.
Manager
Reservoir Engineering and Geology

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

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<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	S. Chicorelli
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	P. Attariwala
<input type="checkbox"/>	C. Gibson
<input type="checkbox"/>	D. Krezanoski

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