

LOUIS GILBERT & ASSOCIATES, INC.
Consulting Geologists
3636 North Causeway Boulevard, Suite 204
Metairie, Louisiana 70002-7216

Telephone
(504) 834-8112

Facsimile
(504) 834-1736

January 22, 2010

Honorable James H. Welsh
Commissioner of Conservation
P. O. Box 94275, Capitol Station
Baton Rouge, Louisiana 70804

RE: Application for Commingling Authority
Forest Oil Corporation
Sweetlake Commingling Facility
No. 1 (935000)
SWEETLAKE FIELD
Cameron Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Forest Oil Corporation, ("Applicant") for the calling of a public hearing, after ten days legal notice, for the authority to commingle production with allocation based on monthly well tests, pursuant to Statewide Order No. 29-D-1, at their Sweetlake Commingling Facility No. 1 (935000), located in Sweetlake Field, Cameron Parish, Louisiana. Forest proposes to add the following wells:

Forest (formerly Clayton Williams Energy, Inc.)- Amoco No. 2 well, Serial No. 223731.
Forest (formerly Clayton Williams Energy, Inc.)- Amoco No. 3 well, Serial No. 224248.

The applicant proposes to commingle production from these two wells with production previously approved for commingling at their Sweetlake Commingling Facility No. 1 (935000), with allocation based on monthly well tests in the same manner previously established for this facility by Office of Conservation Order No. 832-1, effective June 30, 1998.

It is the opinion of Forest Oil Corporation that the commingling of gas and/or liquid hydrocarbons in the manner proposed will provide reasonably accurate measurement, will not create inequities, and will afford the owner of any interest the opportunity to recover his just and equitable share of production.

Attached hereto and made a part hereof are:

Flow description in which commingling will be accomplished;

Flow Schematic of the Sweetlake Commingling Facility No. 1 (935000);

Affidavit attesting to the accuracy and equitability of the method of allocation previously approved and hereby proposed.

Also enclosed is a list of the names and addresses of the Interested Owners and Interested Parties which would be affected by the commingling of hydrocarbons at the Sweetlake Commingling Facility No. 1 (935000). Pursuant to the provisions of Statewide Order No. 29-D-1, such list of parties is being furnished only to the Office of Conservation;

Office of Conservation
January 22, 2010

however, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners and Interested Parties.

Finally, enclosed is our check on behalf of the applicant made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

LOUIS GILBERT & ASSOCIATES, INC.

A handwritten signature in cursive script that reads "Doffie Ross".

Doffie Ross

cc: Mr. Richard Hudson (w/ enclosures)
District Manager

Mr. Alan Bravo
Forest Oil Corporation (w/ enclosures)

Ms. Bonnie Scofield
Forest Oil Corporation (w/ enclosures)

Interested Parties, Interested Owners
and Represented Parties (w/ enclosures)

PRODUCTION SYSTEM DESCRIPTION
SWEET LAKE FIELD

Introduction:

In accordance with Section 2 of Statewide Order No. 29 D-1 (June 6, 1997), the following discussion describes the flow stream of the production facilities at Sweet Lake Field, located in Cameron Parish, Louisiana. The purpose of the description is to show that the current processing facilities can provide reasonably accurate measurement for allocation based on well tests for the commingling of fluids from the current lease.

The format of the following is to discuss the general aspects of the field, to then follow the well stream through the production process (see "Commingling Diagram") and finally to discuss well testing and meter proving.

Production Characteristics:

Sweet lake Field is comprised of satellite wells that produce to main production facility via flowlines. These satellite wells have traditionally been low pressure, oil producers that utilize gas lift as the artificial lift method.

WELLS APPROVED FOR COMMINGLING::

<u>WELL NAME</u>	<u>SERIAL NUMBER</u>
Yount Lee Oil Company #7	12255
Yount Lee Oil Company #18	24410
Yount Lee Oil Company #28	46642
Yount Lee Oil Company #33	52082
Yount Lee Oil Company #35	56266
Yount Lee Oil Company #37	60600
Yount Lee Oil Company #40	76719
Yount Lee Oil Company #42	81511
Yount Lee Oil Company #44	86180
Yount Lee Oil Company #49	102367
Yount Lee Oil Company #50	112243
Yount Lee Oil Company #51	127900
Yount Lee Oil Company #53	122594
Yount Lee Oil Company #54	127901
Yount Lee Oil Company #54-D	128694
Yount Lee Oil Company #64	152967
Yount Lee Oil Company #65	154726
Yount Lee Oil Company #70	155006
Yount Lee Oil Company #71	189265
Yount Lee Oil Company #72	200110
Yount Lee Oil Company #73	202169
Yount Lee Oil Company #78	202170
Yount Lee Oil Company #79	209296
Yount Lee Oil Company #84	204556
Yount Lee Oil Company #87	233257
Yount Lee Oil Company #88	234883
Yount Lee Oil Company #89	234884
Yount Lee Oil Company #90	237653
17 RA VUA;Amoco Prod CO #1	221255

Amoco Prod Co #3(formerly Yount Lee #82)	221219
Amoco Prod Co B #1	223717

WELLS PROPOSED FOR COMMINGLING:

Amoco #2	223731
Amoco #3	224248

Production Separators:

All of the incoming wells flow into one of three production or test headers. During normal operations, the well fluids flow to the respective production header and commingle with the other wells in the header. Upon leaving the production headers, the fluid from all three headers is commingled and flows to three, vertical, two phase, production separators. The normal operating pressure range of the production separators is 45 to 60 psig. The maximum allowable working pressure (MAWP) of the separators is 90 psig at 100°F.

Test Separators:

During testing operations. Two wells can be tested simultaneously in each of the three phase, test separators. The gas stream is measured with a Daniel senior type orifice meter and is then commingled with the gas from the other test separator and the production separators. Both the oil and water streams are measured by turbine meters. The oil and water are recombined and commingled with the fluids from the other separators. The normal operating pressure range of the test separators is 45 to 60 psig. The maximum allowable working pressure (MAWP) of the separators is 90 psig at 100°F.

Test Separator #2:

Test Separator #2 has a 2" Daniel senior type orifice meter run to measure gas volumes. In July 1998, and additional 4" meter run was installed to accurately measure the potentially higher gas volumes produced by the Amoco Production Company Well No. 1.

Gas Stream:

The gas from each separator combines and flows to one of four compressors. During abnormal conditions, the gas may also be sent to a burning flare. The third stage discharge pressure of the compressors is approximately 1060 psig. After compression, the gas is dehydrated by glycol dehydration. The dry gas, less fuel and supply, is then sold to Columbia Gulf Transmission Company via sales pipeline.

Combined Oil and Water Streams:

The oil and water from the production and test separators flows to a water knock out for oil/water separation. Any gas separated from the knock out is sent to compression.

Oil Stream:

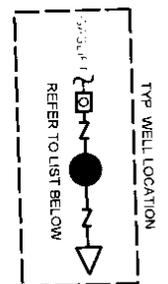
From the water knock out, the oil stream flows to a dehydrator/BS&W monitor. Any sub-sales quality oil is sent to a work tank to be circulated back through the system. All sales quality oil is sent to a 1000 bbl production tank before being pumped to two, 10,000 bbl shipping tanks. The oil, which is sold to Plains Marketing, LP is transported via barge.

Water Stream:

The water from the free water knock out flows to a 3,000 bbl salt water accumulator tank that in turn spills into the saltwater suction tank. The saltwater pumps then send the produced water to an injection well for subsurface disposal.

Well Testing, Meter Proving and Calibration:

The well fluids that are commingled with the Yount Lee Oil Company lease will be tested at minimum on a monthly basis for an eight hour flow period in accordance with Statewide Order 29-D-1, Section 2.c. The turbine meters used for liquid allocation will be proved monthly with a 5-bbl meter prover vessel. A factor will be calculated from the results of the proving runs. This factor is applied to each turbine meter when reporting well tests. Orifice meters used for gas allocation will also be calibrated on a monthly schedule.



CURRENT PRODUCTION WELLS

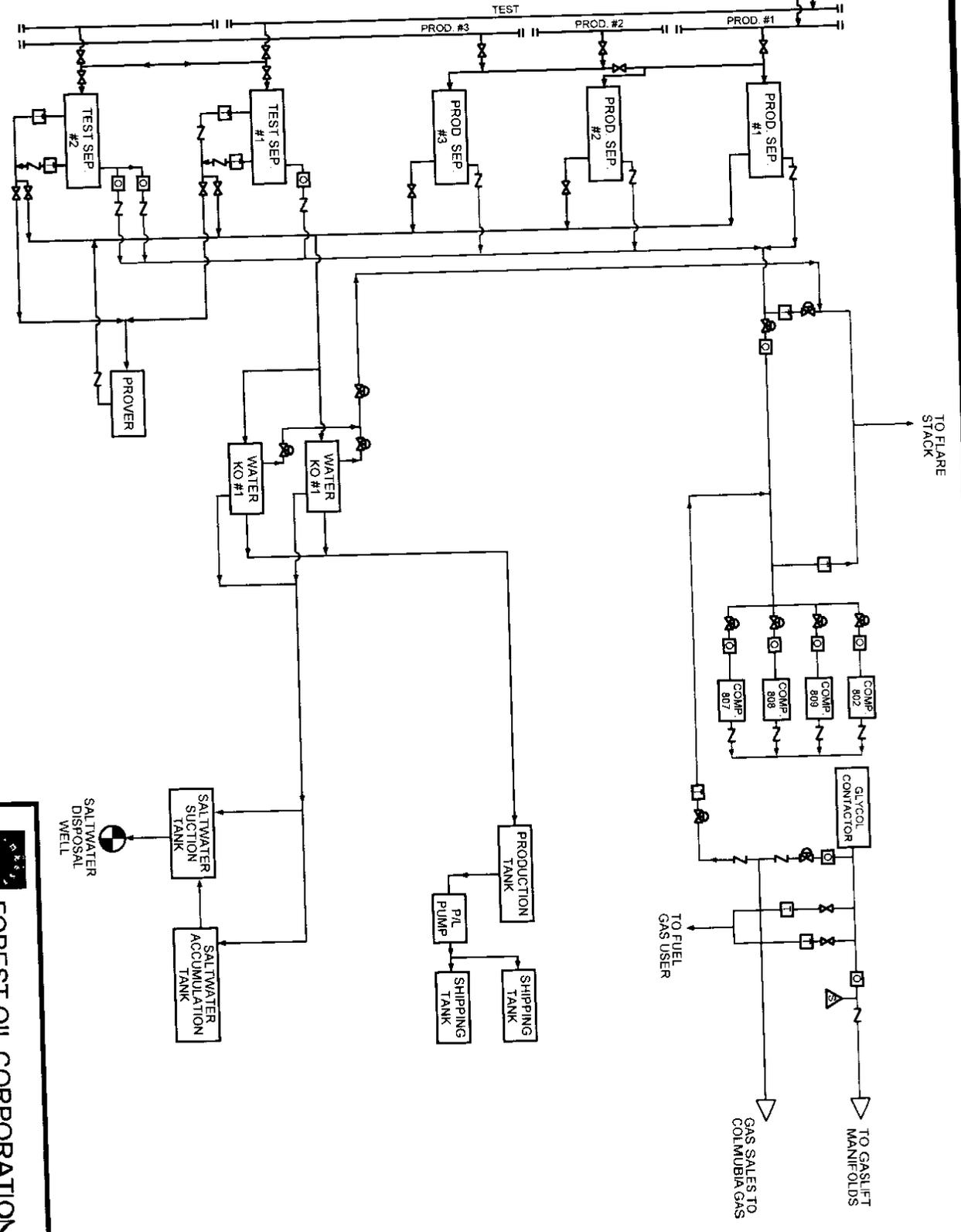
WELL	SERIAL NO.
YOUNG LEE OIL CO #7	12255
YOUNG LEE OIL CO #18	24410
YOUNG LEE OIL CO #28	46842
YOUNG LEE OIL CO #33	52082
YOUNG LEE OIL CO #35	50208
YOUNG LEE OIL CO #37	90400
YOUNG LEE OIL CO #40	78119
YOUNG LEE OIL CO #42	86180
YOUNG LEE OIL CO #44	102387
YOUNG LEE OIL CO #49	112943
YOUNG LEE OIL CO #50	127960
YOUNG LEE OIL CO #51	122584
YOUNG LEE OIL CO #52	127901
YOUNG LEE OIL CO #53	128694
YOUNG LEE OIL CO #54	152987
YOUNG LEE OIL CO #55	154726
YOUNG LEE OIL CO #65	155006
YOUNG LEE OIL CO #70	188285
YOUNG LEE OIL CO #71	200110
YOUNG LEE OIL CO #72	202169
YOUNG LEE OIL CO #73	202170
YOUNG LEE OIL CO #78	209298
YOUNG LEE OIL CO #79	202170
YOUNG LEE OIL CO #84	204556
YOUNG LEE OIL CO #87	233257
YOUNG LEE OIL CO #88	234853
YOUNG LEE OIL CO #89	237853
YOUNG LEE OIL CO #90	231255
17 RA VVA, AMOCO PROD. CO #1	221218
FORMERLY YOUNG LEE OIL CO #82)	
AMOCO PROD. CO. B #1	223717

WELLS PROPOSED FOR COMMINGLING

WELL #1: 223717

WELL #2: 223717

WELL #3: 223717



- GAS LINE
- OIL LINE
- WATER LINE
- COND & WATER
- WELL STREAM
- TURBINE METER
- ORIFICE METER

FOREST OIL CORPORATION

SWEET LAKE FIELD

CAMERON PARISH, LOUISIANA

**FOREST OIL CORPORATION-
SWEETLAKE COMMINGLING
FACILITY NO. 1 (935000)**

LOUIS GILBERT & ASSOCIATES, INC.

STATEMENT OF APPLICATION REGARDING ACCURACY OF
METERED MEASUREMENTS IN CONNECTION WITH
COMMINGLING OF LIQUID HYDROCARBONS
NEW WELL TO EXISTING FACILITY

SWEET LAKE FIELD
CAMERON PARISH
LOUISIANA

In the opinion of the applicant, the commingling of liquid hydrocarbons and the use of meters in lieu of gauge tanks for allocation of oil and/or gas production, as provided under this application to the Department of Conservation for the State of Louisiana, will provide reasonably accurate measurement, will not create any inequities, and will assure each owner of any interest an opportunity to recover his just and equitable share of the reservoir content. All liquid meters employed in the installation covered by this application will be of a proven, commercially available type. Moreover, the suitable means for calibrating each liquid meter are provided, such that the accuracy of each metering operation can be proven. Such testing will be done at least monthly and at other times as the Commissioner of Conservation or his agent shall deem proper.

Authority to commingle has been previously issued under legal notice,



Ted Andrus
Operations Engineer

9-17-09

Date