

August 10, 2001

Bret Hughes, P. Eng. Senior Production Engineer Anadarko Canada Energy Ltd. Box 2595 Stn M Calgary AB T2P 4V4 4600-4540/4560/4575-59240-07 OGC-01159

Berkley Project (02)

Dear Mr. Hughes:

RE: APPROVAL FOR CONCURRENT PRODUCTION

& COMMINGLED PRODUCTION
HALFWAY - COPLIN "A", INGA "A" & BLUEBERRY "A" POOLS

This refers to your application of July 16, 2001 requesting concurrent production, commingling and off-target waiver for the well 4-1-87-25 W6M completed in the subject pools. Also acknowledged is the supplementary information submitted in a letter dated July 31, 2001.

Approval to commingle oil production from the Blueberry and Inga zones in the well 14-11-87-25 W6M was approved on December 23, 1999. This was followed by a concurrent production scheme approval granted on May 24, 2000 for section 11-87-25 W6M. In the concurrent production scheme, commingling of production from the Coplin gas zone was also approved, under section 41 of the *Drilling and Production Regulation*. To allow commercial production from the subject pools, amending the concurrent production scheme approval is considered appropriate at this time.

Attached is Approval 00-07-004 (Amendment #1) granted under section 97 of the <u>Petroleum and Natural Gas Act</u>.

Allocation factors for reporting purposes are detailed in the attached Approval. The oil and gas production rate limitations apply to the sum of production from the subject three pools.

Please note that the project allowables may be amended if another operator successfully completes an oil well outside the project area in one of the subject pools.

Sincerely,

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

Attachment

Wellfile (originals)
59240
Daily
Resource Revenue
S. Chicorelli
R. Stefik
G. Farr
P. Attariwala

D. Krezanoski

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

ENGINEERING AND G

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 00-07-004 (Amendment #1)

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

IN THE MATTER of a Concurrent Production scheme of Anadarko Canada Energy Ltd. (Anadarko), previously Berkley Petroleum Corp., for producing the Halfway Inga "A" and Blueberry "A" oil pools and the Coplin"A" gas pool with a project oil and gas allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the <u>Petroleum and Natural Gas Act</u>, hereby approves an amendment to the Concurrent Production scheme of Anadarko for oil and gas production with project allowables, as such scheme is described in

an application from Anadarko to the Commission dated March 28, 2000 and July 16, 2001.

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

- 1. The area of the scheme shall consist of sections 34 and 35-86-25 W6M and sections 1, 2 and 11-87-25 W6M.
- 2. The project daily oil allowable is waived.
- 3. Gas production from the project is limited to 120 e³m³/d. Gas Production from off-target well 14-11-87-25 W6M (WA 1986) must be limited to 22.7 e³m³/d.
- 4. Gas, oil and water production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Inga 50% and Blueberry 50%, however, any gas production above a gas-oil ratio of 1,000 m³/m³ should be reported to the Coplin.
- 5. All produced gas must be conserved.
- 6. The requirements of section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved area.
- 7. This approval may be modified or rescinded at a later date if deemed appropriate.

Craig Gibson

Manager

Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this / day of August, 2001.