

February 16, 2005

5600-4540-59240-07 OGC - 05047

Ryan Chong Vice President, Production Crew Energy Ltd. 1920, 205 – 5th Avenue S.W. Calgary AB T2P 2V7

Crew Energy Project (02)

Dear Mr. Chong:

RE: CONCURRENT PRODUCTION APPROVAL, AMENDMENT #2
LAPRISE CREEK - COPLIN "A" POOL

Attached is an amendment to the Concurrent Production approval for the subject pool, as requested in your application dated February 3, 2005.

The Approval 04-07-007 (Amendment #2) is hereby granted under Section 97 of the <u>Petroleum and Natural Gas Act</u>. This approval is only valid until June 30, 2005 at which time Crew Energy and its partners may re-apply.

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

Sincerely,

Craig Gibson, P. Eng.

Director

Resource Conservation Branch

Attachment

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APPROVAL 04-07-007 (AMENDMENT #2)

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

IN THE MATTER of a Concurrent Production scheme of Crew Energy Inc. (Crew) for producing the Laprise Creek Coplin "A" 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 amends the Concurrent Production scheme of Crew for oil and gas production, as such scheme is described in

an Application for Concurrent Production from Crew to the Commission dated February 3, 2005 and related submissions.

The scheme approval of September 15, 2004 and amended November 9, 2004, is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

94-G-08 Block H – units 1, 2, 12, 13, 22, 23, 33 and 34

- 2. The project daily oil allowable is 80.0 m³.
- 3. Project gas production, based on double the base GOR factor, will be limited to 28.3 10³ m³/d.
- 4. All produced gas must be conserved.
- 5. This approval may be modified or rescinded at a later date if deemed appropriate.

Craig Gibson

Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this day of February 2005.