

August 30, 2005

5600-4540-59240-07 OGC - 05241

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

Dear Mr. Chong:

RE: CONCURRENT PRODUCTION APPROVAL, AMENDMENT #3
LAPRISE CREEK – COPLIN "A" POOL

Attached is an amendment to the Concurrent Production approval for the subject pool, as requested in your application dated July 7, 2005.

The Approval 04-07-007 (Amendment #3) is hereby granted under Section 97 of the <u>Petroleum and Natural Gas Act</u>. This approval will allow flexibility in production management to maximize pool oil recovery.

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,	
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Graig Gibson, P. Eng.	Approval Letters to Industry
Director	GEP, SWD, CONCURRENT PROD,
Resource Conservation Branch	PRESSURE MAINTENANCE,
Resource Conservation Branch	WATERFLOOD, ETC.
Attachment	Copy 9 Wellfile (originals) 59240 Daily Resource Revenue S. Chicorelli R. Stefik G. Farr R. Slocomb D. Krezanoski

APPROVAL 04-07-007 (AMENDMENT #3)

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 July 7, 2005.

The scheme approval of September 15, 2004 and amended November 9, 2004 and February 16, 2005, 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 28.4 10³ m³/d.
- 4. All produced gas must be conserved.
- 5. The oil well c-A23-H//94-G-8 (WA # 16599) must be preferentially produced to maximize oil production.
- 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

/Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 31 day of August 2005.