



November 19, 1999

3600-4580-59240-07
OGC 990516

Mr. Gordon McIntosh
Production Engineer
Fort St. John Asset Team
Northern Gas Business Unit
Petro-Canada Resources
P.O. Box 2844
Calgary AB T2P 3E3

Petro-Canada Unit #1 (02)

Dear Mr. McIntosh:

**RE: CONCURRENT PRODUCTION WITH GOOD ENGINEERING PRACTICE
APPROVAL AMENDMENT #1
FORT ST JOHN NORTH PINE "A" POOL**

Attached is an amendment to the Concurrent Production Approval with Good Engineering Practice for Petro-Canada Unit#1 in the subject pool.

Following a meeting with Petro-Canada staff on October 25, 1999, a detailed geological, geophysical and engineering review was carried out for the subject pool. Based on this review, we concur with your interpretation that an E-W fault exists just to the north of section 25 and 26-83-18 W6M. As a result the well 8-35-83-18 W6M (WA 8814) has now been removed from the North Pine "A" pool and mapped in the North Pine "C" pool.

Reserves based oil and gas allowables have now been recalculated for newly mapped oil and gas-cap within Unit#1 of the North Pine "A" pool. Accordingly, the approval of August 1, 1977 is hereby amended and Approval 77-07-01 (Amendment #1) granted under section 97 of the Petroleum and Natural Gas Act. Please note that both oil and gas allowables for the Calahoo operated project within the North Pine "A" pool have also been recalculated.

Also, attached is a daily gas allowable of 21.9 e3m3 for the gas-cap well 13-14-83-18 W6M.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310.

Sincerely,

B. van Oort, P. Eng.
Director
Engineering and Geology Branch

Attachment

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

Copy

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- R. Stefik
- G. Farr
- P. Attariwala
- C. Gibson
- D. Krezanoski
- S. Chicorelli

ENGINEERING AND
PO Box 9329 Stn Prov Gov't, Victoria BC V8W
Location: 6th Flr 1810

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M

52-0291

www.ogc.gov.bc.ca

APPROVAL 77-07-01 (Amendment #1)

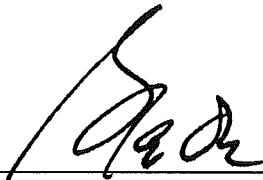
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
OIL AND GAS COMMISSION**

IN THE MATTER of a Concurrent Production proposal of Petro-Canada Oil and Gas (Petro-Canada) for producing from Unit #1 of the Fort St. John North Pine "A" Pool with project oil and gas allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the Petroleum and Natural Gas Act (the Act), hereby approves an amendment to the Concurrent Production project of Petro-Canada for oil and gas production with project allowables.

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

1. The area of the project shall consist of N/2 sec 10, N/2 sec 11, NW/4 sec 12, W/2 sec 13, 14, 15, 22, 23 and W/2 sec 24-83-18 W6M.
2. The reserves based project oil allowable is 64.3 m³/d.
3. The reserves based project gas allowable is 52.8 10³m³/d.
4. All associated gas production must be conserved.
5. This approval may be modified or rescinded at a later date if deemed appropriate.



Bou van Oort
Director
Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 19 day of November, 1999.



OIL AND GAS COMMISSION

Mailing Address:
Engineering and Geology Branch
PO BOX 9329 STN PROV GOV'T
VICTORIA BC V8W 9N3

Location:
1810 Blanshard St - 6th Fl
Victoria BC V8T 4J1
Phone: (250) 952-0302
FAX: (250) 952-0291

APPLICATION FOR DAILY GAS ALLOWABLE (DGA)

Individual Well

Form must be submitted under the authority of the Petroleum and Natural Gas Act R.S.B.C. 1996, c. 361, Drilling and Production Regulation, s.88, to the Oil and Gas Commission, at the address noted above. Information collected on this form will be used for public record in accordance with s.57 of the Drilling and Production Regulation.

Initial Application

Revision No. 1

Well Name PEX WP FT ST JOHN 13-14-83-18 Well Authorization No. 194

Field Fort St, John Pool North Pine "A"

Table with columns: Factors, Units, Owner's Calculations (Values Obtained from, Values Used in This Calculation), COMMISSION USE ONLY (Branch Calculations). Rows include Depth to top gas pay, Depth to bottom gas pay, Assigned area, Average net pay thickness, Average net porosity, Average water saturation, Initial pool pressure at MPP, Formation temperature, Initial supercompressibility factor, Recovery factor, and Unadjusted Daily Gas Allowable (10^3 m^3).

Name Position

Signature Company

Date Phone No. FAX No.

APPROVAL (for commission use only)

Off-target penalty factor 1.00 Daily gas allowable 21.9 10^3 m^3 (minimum UDGA is 60.0 10^3 m^3 in accordance with Section 1 of the Drilling and Production Regulation)

Date Effective August 23, 1999

Field Fort St, John Pool North Pine "A"

Approval Date November 18, 1999

Authorized Commission Employee 59070-03/WA