



OIL AND GAS COMMISSION

February 8, 2007

2000-4800-59240-07

D. Greenidge, PhD, P.Eng.
Northern Reservoir Engineering Manager
Imperial Oil Resources
7th Floor, 237 – 4th Avenue S.W.
Calgary AB T2P 0H6

Dear Ms. Greenidge:

RE: CONCURRENT PRODUCTION APPROVAL, AMENDMENT #3
BOUNDARY LAKE – HALFWAY “E” & “F” POOL

The Commission has reviewed your application dated December 20, 2006, requesting an amendment to the Concurrent Production approval for producing a portion of the subject pools.

As gas produced exceeds the solution gas-oil ratio, and this gas is conserved, Concurrent Production approval is considered appropriate. Approval 99-07-004 (Amendment #3) is hereby granted under Section 97 of the Petroleum and Natural Gas Act. This approval will allow flexibility in production management to maximize pool oil recovery, while maintaining equity with approvals granted to other operators in the area.

This amendment adds the area of section 30-85-13 W6M and increases the production limits, specifically incorporating the producing well ESSO NFA Boundary 6-30-85-13 W6M (WA# 1137) now completing its production test period.

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

Sincerely,

Doug McKenzie
Director
Resource Conservation Branch

Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 99-07-004 (Amendment #3)

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

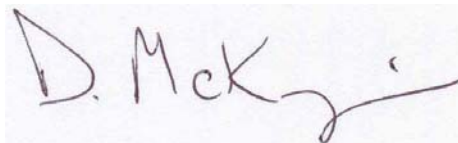
IN THE MATTER of a Concurrent Production project of Imperial Oil Resources (Imperial) for producing the Boundary Lake Halfway 'E' & 'F' pools with a project oil and gas allowable.

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 scheme of Imperial for oil and gas production with project allowables, as such project is described in

an application from Imperial to the Commission dated December 20, 2006.

The scheme approval of August 5, 2003 is amended, subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of;
Twp 85 Rge 14 W6M- S/2 section 25
Twp 85 Rge 13 W6M – section 30.
2. The reserves based project daily oil allowable is 35.9 m³.
3. Gas production from the project is limited to 43.0 10³ m³/d.
4. All associated gas produced must be conserved.
5. An oil well may be drilled anywhere within the project area provided that it is not completed nearer than 100 m to the sides of the approved area.
6. This approval may be modified or rescinded at a later date if deemed appropriate.



Doug McKenzie
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 8th day of February 2007.