



November 9, 2001

6230-4800-59240-07  
OGC - 01216

David Penton  
Engineering Technologist  
NE BC Team  
Samson Canada Ltd.  
2200, 605 – 5<sup>th</sup> Ave S.W.  
Calgary AB T2P 3H5

*Samson Project (03)*

Dear Mr. Penton:

**RE: APPROVAL FOR CONCURRENT PRODUCTION  
MUSKRAT – HALFWAY “C” GAS & HALFWAY “H” OIL POOLS**

Attached is a Concurrent Production scheme approval for the subject pools, as requested in your application dated October 26, 2001.

The Approval 01-07-009 is hereby granted under section 97 of the Petroleum and Natural Gas Act.

The well 8-27-87-18 W6M (WA# 7420) is completed in two Halfway zones, in communication behind the casing. A previous Concurrent Production approval was rescinded when lower GOR wells were developed in the oil pool. Recent mapping interpretation has placed this well in a separate oil pool (Halfway “H”). This approval will allow economic production and maximize 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 pools.

Sincerely,

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

Attachment

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

Copy 9

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

**ENGINEERING AND GEOLOGY BRANCH**

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APPROVAL 01-07-009

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

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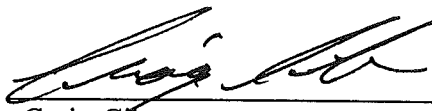
IN THE MATTER of a Concurrent Production scheme of Samson Canada Ltd. (Samson) for producing the Muskrat Halfway "C" gas pool and Halfway "H" oil pool with a project oil and gas allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the Petroleum and Natural Gas Act, hereby approves a Concurrent Production scheme of Samson for oil and gas production with project allowables, as such scheme is described in

*an Application from Samson to the Commission dated October 26, 2001 and related submission.*

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

1. The area of the scheme shall consist of Section 27-87-18 W6M.
2. The project oil allowable is waived.
3. Project gas production is limited to  $30.0 \times 10^3 \text{ m}^3/\text{d}$ .
4. All produced gas must be conserved.
5. Royalty-exempt oil production entitlement for the discovery well Calahoo et al Muskrat 8-27-87-18 (WA#7420) is limited to a volume of  $1,097.1 \text{ m}^3$  or the volume produced in the first 9 producing months effective October 1995, whichever is lesser.
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.

  
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Craig Gibson  
Manager  
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 9<sup>th</sup> day of November, 2001.