



June 2, 2003

Talisman Project (02) "S"
(02) "T"

Mr. Cory Sterling, P.Eng.
Development Engineer
Talisman Energy Inc.
Suite 3400, 888 - 3rd Street S.W.
Calgary, AB T2P 5C5

Dear Mr. Sterling:

RE: APPLICATION FOR CONCURRENT PRODUCTION
Buick Creek Lower Halfway "S" Pool
Buick Creek Lower Halfway "T" Pool

Attached are Concurrent Production Approvals for the subject pools, as requested in your application dated April 23, 2003.

Approvals 03-07-001 and 03-07-002, under section 97 of the Petroleum and Natural Gas Act, are intended to allow operational flexibility in order to maximize oil recovery.

It should be noted that the approval conditions are similar to the ones granted to Talisman for concurrent production from the Buick Creek Lower Halfway "C" pool.

Sincerely,

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

Attachments

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.
Copy 9

| | |
|--------------------------|----------------------|
| <input type="checkbox"/> | Wellfile (originals) |
| <input type="checkbox"/> | 59240 |
| <input type="checkbox"/> | Daily |
| <input type="checkbox"/> | Resource Revenue |
| <input type="checkbox"/> | S. Chicorelli |
| <input type="checkbox"/> | R. Stefik |
| <input type="checkbox"/> | G. Farr |
| <input type="checkbox"/> | P. Attariwala |
| <input type="checkbox"/> | D. Krezanoski |

APPROVAL 03-07-002

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


IN THE MATTER of a Concurrent Production scheme with Good Engineering Practice of Talisman Energy Inc. (Talisman) for producing the Buick Creek Lower Halfway "T" oil pool without spacing and target restrictions, and without a project oil allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the Petroleum and Natural Gas Act R.S.B.C. 1996, c.361 hereby approves the Concurrent Production scheme of Talisman for concurrent production of oil and gas without an oil allowable, as such scheme is described in

an Application from Talisman to the Commission dated April 23, 2003.

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

1. The area of the scheme shall consist of unit 64 of Block I /94-A-11.
2. The project daily oil allowable is waived.
3. Any well producing at an oil rate of less than 4.0 m³/d must be shut-in if the GOR exceeds 1,800 m³/m³.
4. Gas production from the project will be limited to 28.0 10³ m³/d.
5. All gas production will be conserved.
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
Manager
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2003.

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


IN THE MATTER of a Concurrent Production scheme with Good Engineering Practice of Talisman Energy Inc. (Talisman) for producing the Buick Creek Lower Halfway "S" oil pool without spacing and target restrictions, and without a project oil allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the Petroleum and Natural Gas Act R.S.B.C. 1996, c.361 hereby approves the Concurrent Production scheme of Talisman for concurrent production of oil and gas without an oil allowable, as such scheme is described in

an Application from Talisman to the Commission dated April 23, 2003.

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

1. The area of the scheme shall consist of unit 65 of Block I /94-A-11.
2. The project daily oil allowable is waived.
3. Any well producing at an oil rate of less than $4.0 \text{ m}^3/\text{d}$ must be shut-in if the GOR exceeds $1,800 \text{ m}^3/\text{m}^3$.
4. Gas production from the project will be limited to $19.0 \cdot 10^3 \text{ m}^3/\text{d}$.
5. All gas production will be conserved.
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
Manager
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2003.