



OIL AND GAS COMMISSION

July 27, 2004

5000-0180-59240-15
OGC - 04231

Felix Kwan, P. Eng.
Reservoir Engineer
Jedney/FSJN Team
Petro-Canada Oil and Gas
P.O. Box 2844
Calgary AB T2P 3E3

Dear Mr. Kwan:

RE: EXPERIMENTAL SCHEME APPROVALS, JEDNEY AREA
REQUEST FOR CLARIFICATION

This acknowledges receipt of your letter dated July 26, 2004 seeking clarification regarding condition #4 of the experimental scheme approvals in the Jedney area granted on September 20th, 2002.

Please note that in accordance with Section 10(7) of the *Drilling and Production Regulation*, an off-target penalty does not apply to the 'discovery well', as designated by the Commission, of a gas pool. Accordingly, if a well drilled closer than 250 m to the sides of the experimental scheme area is granted discovery recognition, an off-target penalty will not apply.

The above applies to all of the experimental scheme approvals. Any application for a new pool discovery, supported by technical data, should be submitted to this office.

Please note that progress reports, as specified in Condition # 5 of the approvals, must be submitted on an annual basis.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

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

Copy **91**

<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"/>	R. Slocomb
<input type="checkbox"/>	D. Krezanoski
<input type="checkbox"/>	Leesa Turner

RESOURCE CONSERVATION BRANCH

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