

October 30, 1997

File: 2982-4995-59240-06
Reference: 971008

Mr. Steven H. Hancock, P.Eng.
Principal
Adam Pearson Associates Inc.
Suite 600, 521 - 3rd Avenue SW
Calgary, AB T2P 3T3

Chauvco Project (02)

Dear Mr. Hancock:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
CHINCHAGA FIELD BLUESKY-GETHING-DETRITAL "A"
AND LOWER CHARLIE LAKE-MONTNEY "A" POOLS**

Attached is a Good Engineering Practice (GEP) scheme approval for the subject pools, as requested in your application of September 24, 1997 on behalf of Chauvco Resources Ltd.

The Approval 97-06-010 is hereby granted under Part 8, Division 6, section 104 of the British Columbia *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility for drilling wells without spacing and target considerations while maximizing gas recovery.

Yours truly,



Bou van Oort, P. Eng.
Director
Engineering and Operations Branch

Attachment

cc: Mr. Dave Brock
Chauvco Resources Ltd.

Copies for Approval Letter to Industry (11)
RE: GEP, Salt Water Disposals, etc.

	G. Miltenberger
	Data Management
	R. Stefik
	D. Richardson
	P. Attariwala
	G. Farr
	S. Chicorelli
	Resource Revenue
	59240
	Wellfiles (originals)
	Daily

**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
MINISTRY OF EMPLOYMENT AND INVESTMENT
ENERGY AND MINERALS DIVISION**

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Chauvco Resources Ltd. (Chauvco) for producing the Chinchaga Bluesky-Gething-Detrital "A" and Lower Charlie Lake-Montney "A" pools without well spacing and target restrictions.

NOW, THEREFORE, the Division Head, pursuant to Part 8, Division 6, section 104 of the *Drilling and Production Regulation*, hereby approves the GEP project of Chauvco for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Adams Pearson Associates Inc. on behalf of Chauvco Resources Ltd. to the Division dated September 9, 1997 and related submission.

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

1. The area of the scheme shall consist of:

94-H-8/Block A - units 51 - 100

94-H-8/Block B - units 51, 61, 71, 81, 91 - 95

94-H-8/Block F - units 51, 61, 71, 81, 91 - 95

94-H-8/Block G - units 1 - 5, 11 - 15, 21 - 25, 31 - 37, 41 - 47, 51 - 100

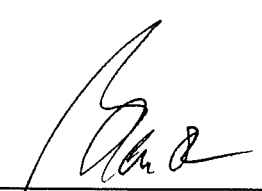
94-H-8/Block H - units 1 - 70, 72 - 80, 82 - 90, 94 - 100

94-H-8/Block I - units 4 - 10, 16 - 20, 26 - 30, 38 - 40, 48 - 50, 60, 70

94-H-8/Block J - units 1 - 39, 41 - 49, 51 - 59, 61 - 69

94-H-8/Block K - units 1 - 5, 11 - 15, 21 - 25

2. The requirements of section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 m to the sides of the approved area.
3. The gas wells within the project area may be produced without individual well allowable restrictions.
4. This approval may be modified or rescinded at a later date if deemed appropriate.



B. van Oort, on behalf of
the Division Head
Energy and Minerals Division

DATED AT the City of Victoria, in the Province of British Columbia, this 2 day of October, 1997.