



March 17, 2006

8150-4748-59240-06
OGC - 06113

James Lord, P.Eng.
Senior Engineer
Alberta Clipper Energy Inc.
800, 700 - 2nd Street SW
Calgary AB T2P 2W1

Alberta Clipper Project (02)

Dear Mr. Lord:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
TOMMY LAKES - ARTEX/HALFWAY "A" POOL**

Commission staff have reviewed the application, dated February 14, 2006, requesting Good Engineering Practice (GEP) scheme approval for producing gas from the Halfway and Artex formations in the Trutch/west Tommy Lakes field area. Additional information was presented to Commission staff during a meeting at our offices on March 9, 2006.

Geological review of the area of application has resulted in OGC mapping of the Tommy Lakes - Artex/Halfway "A" pool.

Attached is Approval 06-06-016, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval is intended to allow operational flexibility for the drilling and production of additional gas wells within the GEP area, for maximization of gas recovery.

The area of approval excludes multiple gas spacing areas in the western portion of the area of application, as unproven reservoir based on current well information. Future amendment may be made to include this area upon further pool delineation.

Please note that the approval area contains rights held under Drilling Licenses. Lease selections must be made prior to production from these gas spacing areas.

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

Sincerely,

Richard Slocomb, P. Eng.
A/Director
Resource Conservation Branch

**Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.**

Copy 12

- Daily
- Wellfile
- 59240
- R. Slocomb
- R. Stefik
- G. Farr

- E. O'Neill
- J. Merson
- D. Krezanoski
- L. Miller
- Resource Rev.
- S. Chicorelli

Attachment

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
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Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 06-06-016

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

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Alberta Clipper Energy Inc. (Alberta Clipper) for producing the Tommy Lakes field Artex/Halfway "A" gas pool without well spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Alberta Clipper for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Alberta Clipper to the Commission dated February 14, 2006 and related submissions.

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

1. The area of the project shall consist of:

94-G-9 Block L – units 60, 70, 80, 90, 100

94-G-10 Block H – units 92-97

Block I – units 2-7, 12-17, 22-27, 32-37, 42-47, 51-57, 61-67, 71-77, 81-87, 91-97

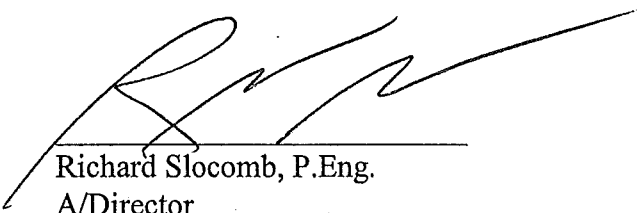
94-G-15 Block A – units 1-7

94-G-16 Block D – unit 10

2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project 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.


Richard Slocomb, P.Eng.
A/Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 20th day of March 2006.