

February 12, 2004

Jason Tauber, EIT NE BC Reservoir Engineering Anadarko Canada Corporation P.O. Box 2595 Stn M Calgary AB T2P 4V4 4300-4100-59240-06 OGC – 04056

Anadarko Project (02)

Dear Mr. Tauber:

RE: GOOD ENGINEERING PRACTICE APPROVAL GRAHAM - BALDONNEL "D" POOL

The Commission has reviewed your applications, dated January 9, 2004, for Good Engineering Practice (GEP) scheme approval for gas development, titled South Graham (East) and South Graham (West) – Baldonnel pool.

The Commission has conducted a geologic review of the Baldonnel formation in the area of application. As a result, our interpretation remains that the subject pool is a single non-associated gas pool, Graham – Baldonnel "D".

The Approval 04-06-016 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. The area of approval includes the two contiguous requested land blocks.

This approval will allow the drilling of higher density gas wells, without regard for spacing and target regulations in order to optimize pool drainage and recovery.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at 952-0310.

	•		
Sincerely,		Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.	
_		Copy 9	
		Wellfile (originals)	
		59240	
		Daily	
Craig Gibson. P. Eng.	•	Resource Revenue	1
Director		S. Chicorelli	{
Resource Conservation Branch		R. Stefik	
resource conservation branch		G. Farr	
		P. Attariwala	Jan .
Attachment		D. Krezanoski	y se
		-	1 4 4 5 E E

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301 Location: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

## APPROVAL 04-06-016

## 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 Anadarko Canada Corporation (Anadarko) for producing gas wells from the Graham - Baldonnel "D" 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 Anadarko for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Anadarko to the Commission dated January 9, 2004.

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

1. The area of the scheme shall consist of:

94-B-8 Block F - Units 56, 57, 66, 67, 72-79, 82-89, 92-99 Block K - Units 2-9, 16-19, 26-29, 36-39, 46-49.

- 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 scheme area.
- 3. The gas wells within the scheme area may be produced without individual well allowable restrictions.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

**Deputy Commissioner** Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this //day of February, 2004.