



October 20, 1997

File: 5160-5000-59240-06

Reference: 970947

Anderson Project (02)

Mr. William Sawchuk
Exploration Dept.
Anderson Exploration Ltd.
1600 - 324 Eighth Avenue S.W.
Calgary, AB T2P 2Z5

Dear Mr. Sawchuk:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
KAHNTAH MONTNEY "A" POOL**

Attached is a Good Engineering Practice (GEP) scheme approval for the subject pool, as requested in your application of September 9, 1997.

The Approval 97-06-009 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

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

APPROVAL 97-06-009

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 Anderson Exploration Ltd. (Anderson) for producing the Kahntah Montney "A" pool 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 Anderson for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Anderson 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-15/Block J - units 80, 90, 100

94-H-15/Block K - units 71 - 79, 81 - 89, 91 - 99

94-I-02/Block B - units 10, 20, 30

94-I-02/Block C - units 1 - 9, 11 - 30, 36 - 40, 46 - 50, 58 - 60, 68 - 70, 78 - 80, 88 - 90


94-I-02/Block D - units 11 - 15, 21 - 25, 31 - 37, 41 - 47, 51 - 90, 98 - 100

94-I-02/Block E - units 8 - 10

94-I-03/Block A - units 51, 61, 71 - 73, 81 - 83, 91 - 93

94-I-03/Block H - units 1 - 3

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 20 day of October, 1997.