



OIL AND GAS COMMISSION

January 29, 2004

4200/4470/9000-8600-59240-06  
OGC - 04031

Peter Chernik, P. Eng.  
Reservoir Engineering Advisor  
Apache Canada Ltd.  
Suite 1000, 700 - 9th Avenue S. W.  
Calgary AB T2P 3V4

Dear Mr. Chernik:

**RE: GOOD ENGINEERING PRACTICE APPROVALS**  
**GOTE - PINE POINT "A" POOL**  
**GUNNELL - PINE POINT "A" POOL "B"**  
**OTHER AREA - PINE POINT FORMATION**

Apache Project (02)  
Apache Project (02)  
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The Commission has reviewed your applications dated December 1, 2003 requesting GEP scheme approval for the reefs of Missile, Gunnell and Brandt area pools, with commingling of the Slave Point and Pine Point formation of the Gunnell and Other Area reef.

The Commission has designated the gas pool in the Missile reef to be Gote - Pine Point "A" pool, Gunnell reef to be Gunnell - Pine Point "A" pool and the Brandt reef to be an Other Area - Pine Point formation. No Slave Point pay has been attributed to any of the wells drilled so far. However, if Slave Point gas wells are drilled at a future date, the GEP scheme approvals with commingling of the Slave Point and Pine Point may be approved at that time.

Attached are the Good Engineering Practice (GEP) scheme approvals 04-06-008, 04-06-009 and 04-06-010 for the Gote, Gunnell and Other Area, respectively. These approvals are hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. The approvals will allow the drilling of gas wells without regard for spacing and target regulations in order to optimize pool drainage and recovery. No objections were received following a publication of notice of the applications in the BC Gazette.

Please note that a project daily gas allowable has not been specified in the GEP approvals. However, a gas allowable may be imposed at a later date if water drive is suspected in the pool, as per Section 88(1)(d) of the *Regulation*.

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

Sincerely,

Craig Gibson, P. Eng.  
Director  
Resource Conservation Branch

Attachments

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

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- D. Krezanoski

RESOURCE CONSERVATION

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APPROVAL 04-06-009

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

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IN THE MATTER of a Good Engineering Practice (GEP) scheme of Apache Canada Ltd. (Apache) for producing the Gunnell - Pine Point "A" pool gas without well spacing, target and production restrictions. <sup>B</sup>

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

*an Application from Apache to the Commission dated December 1, 2003 and related submission.*


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

1. The area of the project shall consist of:

94-P-4:

Block K - units 32-35, 42-45, 52, 53, 62 and 63.

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.

  
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Derek Doyle  
Commissioner  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of January 2004.