



OIL AND GAS COMMISSION

December 17, 2003

5300-8600-59240-06  
OGC - 03332

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

Apache Project (02)

Dear Mr. Chernik:

**RE: GOOD ENGINEERING PRACTICE APPROVAL  
KOMIE - PINE POINT "A" POOL**

The Commission has reviewed your application dated October 20, 2003 and supplemented with additional data of October 30, 2003, requesting GEP scheme approval with commingling of the Slave Point and Pine Point pools of the Komie reef.

The Commission has designated the gas pool under the requested area to be Komie - Pine Point "A" pool. 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, a GEP scheme approval with commingling of the Slave Point and Pine Point may be approved at that time.

Attached is a Good Engineering Practice (GEP) scheme approval for the Pine Point "A" pool. The Approval 03-06-041 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. This approval 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 application in the BC Gazette.

Please note that a project daily gas allowable has not been specified in the GEP approval. 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

Attachment

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

Copy 10

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

RESOURCE CONSERVATION BR  
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 1  
Location: 6<sup>th</sup> Flr 1810 Blanshard St, Vict

APPROVAL 03-06-041

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 Komie - Pine Point "A" pool gas without well spacing, target and production 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 Apache for drilling wells without spacing and target restrictions, as such scheme is described in

*an Application from Apache to the Commission dated October 20, 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-O-8

Block A - units 31-33, 41-43, 51-53 and 61-63

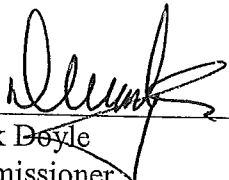
94-P-5

Block D - units 38-40, 48-50, 58-60, and 68-70.

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 Fort St. John, in the Province of British Columbia, this 10<sup>th</sup> day of December 2003.