



November 22, 2007

7250-2600/2700-59240-06

Raymond Aitken  
Geologist  
Apache Canada Ltd.  
Suite 1000, 700 – 9<sup>th</sup> Avenue S.W.  
Calgary AB T2P 3V4

Dear Mr. Aitken:

**RE: GOOD ENGINEERING PRACTICE APPLICATION**  
**PICKELL – BLUESKY & GETHING FORMATION**

The Commission has reviewed your application dated August 7, 2007, requesting Good Engineering Practice (GEP) scheme approval for the Bluesky and Gething formations in the Pickell field.

The requested GEP area consists of 9 gas spacing units (GSU's). Presently only five wells are completed in the Bluesky or Gething formations within the area of application. The Commission's geological evaluation places these wells as:

WA 13920: b-15-I/94-H-3 - Gething "S" pool  
WA 22652: d-24-I/94-H-3 - Bluesky "M" pool  
WA 13915: c-18-I/94-H-3 - Gething "F" pool  
WA 13950: d-47-I/94-H-3 - Bluesky "A" pool & Gething "G" pool (oil ).  
WA 22597: d-41-J/94-H-3 - Gething "R" pool

As noted above, the Bluesky and Gething formations in the Pickell field are characterized by multiple separate pools of limited size, with primary product status of either gas or oil. Based on the development history in the proposed GEP area, future wells are anticipated to encounter separate pools. As such, GEP approval would not be required to produce these wells. Also, development wells within the proposed GEP area may encounter oil pools, to be produced under individual well daily oil allowables. Alternatively, future drilling may prove that these sands are in communication with one another and a GEP approval may be appropriate. A GEP is required only when more than one well is completed in a GSU for production from the same pool.

While the Commission is in agreement that recovery of reserves from these variable quality Bluesky or Gething pools may benefit from development under GEP approval, this application is considered premature based on current data. Once additional wells have been drilled, completed and tested for production for an individual pool, a simplified application may be considered appropriate for that pool. Since no objections were received for your application of August 7, 2007, notice of such an application may not be published in the OGC website.

Should you have any questions, please contact the undersigned.

Sincerely,

Richard Slocomb, P. Eng.  
Supervising Reservoir Engineer.

Cc: Fekete Associates Inc. (Attn: Barry Braithwaite)

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**RESOURCE CONSERVATION**

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