



February 15, 2005

2985-2400-59240-06

2985-4995-59240-06

OGC - 05044

David Mitchell, P.Eng.  
Baytex Energy Ltd.  
2200, 205 - 5<sup>th</sup> Ave S.W.  
CALGARY, AB T2P 2V7

Moved to the Drake-Notikewin "A" pool  
as Baytex Project (13), 2005-11-15.

Dear Mr. Mitchell:

**RE: GOOD ENGINEERING PRACTICE APPROVALS**  
**CHINCHAGA RIVER - NOTIKEWIN "A" POOL** Baytex Project (02)  
**CHINCHAGA RIVER - LOWER CHARLIE LAKE/MONTNEY "A" POOL** Baytex Project (03)

Oil and Gas Commission staff have reviewed the two applications, dated January 5, 2005, for Good Engineering Practice (GEP) scheme approvals for the Chinchaga River area, Notikewin and Montney formations.

The areas of application have been mapped by the OGC as the Chinchaga River field - Notikewin "A" and Lower Charlie Lake/Montney "A" pools.

The attached Approvals 05-06-010 and 05-06-011, respectively, are hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*.

These approvals will allow increased gas well density without regard for spacing and target regulations in order to maximize pool recovery. No objections were received following a publication of notice of the application in the BC Gazette.

The areas of approval include Drilling Licence 51552. Please be aware that Lease selection is required prior to production from wells completed within the Licence area.

Should you have any questions, please contact 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
- Dally
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- R. Slocomb
- D. Krezanoski

**RESOURCE CONSERVATION BRANCH**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 363-0002 Fax: (250) 952-0291  
Location: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110<sup>th</sup> Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744

APPROVAL 05-06-010

**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 Baytex Energy Ltd. (Baytex) for producing a portion of the Chinchaga River – Notikewin “A” gas pool without 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 Baytex as such scheme is described in

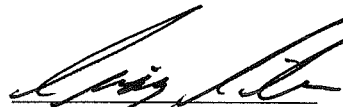
*an Application from Baytex to the Commission dated January 5, 2005.*

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

1. The area of the scheme shall consist of:

94-H-8: Block B – units 52-55, 62-65, 72-75 and 82-85.

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 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.



Craig Gibson  
Director  
Resource Conservation Branch  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15<sup>th</sup> day of February 2005.

APPROVAL 05-06-011

**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 Baytex Energy Ltd. (Baytex) for producing a portion of the Chinchaga River – Lower Charlie Lake/Montney “A” gas pool without 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 Baytex as such scheme is described in

*an Application from Baytex to the Commission dated January 5, 2005.*

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

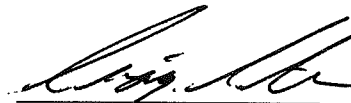
1. The area of the scheme shall consist of:

94-H-8: Block B – units 52-55, 62-65, 72-75 and 82-85.

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 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.



Craig Gibson  
Director  
Resource Conservation Branch  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15<sup>th</sup> day of February 2005.