



OIL AND GAS COMMISSION

November 28, 2007

6400-4100-59240-06

Ann Green  
Engineering Technologist  
Bonavista Petroleum Ltd.  
700, 311 – 6<sup>th</sup> Avenue SW  
Calgary AB T2P 3H2

Dear Ms. Green:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #2**  
**NIG CREEK - BALDONNEL "A" POOL**

Commission staff have reviewed your application, dated June 21, 2007, to amend the existing Good Engineering Practice (GEP) approval for the subject pool.

Approval 67-06-001 (Amendment #2) is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. The approval area has been amended to include; 94-H-4 Block A Units 38, 39, 48 and 49, as requested. The previous project daily gas production allowable has been waived.

This approval is intended to allow the drilling and production of wells without spacing and target consideration for maximization of gas recovery.

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

Sincerely,

A handwritten signature in dark ink, appearing to read 'R. Slocomb', is written over a light blue rectangular background.

Richard Slocomb, P.Eng.  
Supervisor, Reservoir Engineering

Attachment

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**RESOURCE CONSERVATION**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

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**APPROVAL 67-06-001 (Amendment #2)**

**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 Bonavista Petroleum Ltd. (Bonavista) for producing the Nig Creek – Baldonnel “A” gas pool without well spacing and target restrictions.

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

*an Application from Bonavista to the Commission dated June 21, 2007.*

The scheme approval of October 5, 1967 (Amendment #1) is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

94-H-3 Block E - Units 20, 30, 40, 50

94-H-4 Block A - Units 38, 39, 48, 49, 56-60, 66-70, 74-80, 84-90, 92-100

Block B - Units 14, 15, 24, 25, 36-39, 46-49, 51-100

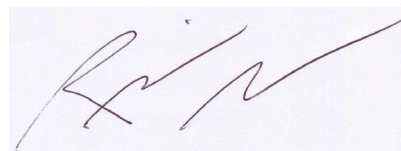
Block C - Units 51, 61, 71-73, 81-83, 91-93

Block F - Units 1-3, 11-13, 21-23, 31-33, 41-43, 51-53, 61-63

Block G - Units 1-50, 58-60, 68-70

Block H - Units 2-50, 52-55 and 62-65.

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.



Richard Slocomb  
Supervisor, Reservoir Engineering  
Resource Conservation  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 28<sup>th</sup> day of November, 2007.