



OIL AND GAS COMMISSION

June 2, 2006

9030-2800-59240-06

OIL AND GAS COMMISSION

JUN 05 2006

Imtiaz Adil
Senior Reservoir Engineer
BP Canada Energy Company
240 – 4th Avenue S.W.
P.O. Box 200
Calgary AB T2P 2H8

Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.

Copy 10

<input checked="" type="checkbox"/>	Daily	<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	Wellfile	<input type="checkbox"/>	D. Krezanoski
<input type="checkbox"/>	59240	<input type="checkbox"/>	L. Miller
<input type="checkbox"/>	R. Slocomb	<input type="checkbox"/>	Resource Rev.
<input type="checkbox"/>	R. Stefik	<input type="checkbox"/>	S. Chicorelli

Dear Mr. Adil:

RE: GOOD ENGINEERING PRACTICE APPROVALS
DEEP BASIN – CADOMIN “A” POOL

Commission staff have reviewed your application, dated May 3, 2006 requesting Good Engineering Practice (GEP) approval for the Cadomin formation in the Noel area. Additional information was presented to the Commission during a meeting at our offices on May 4, 2006.

Please note that the Commission designates this area as the Deep Basin field, for gas production from the Cadomin “A” pool.

The attached GEP scheme Approvals are hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. These Approvals are intended to allow the drilling and production of gas wells without regard for normal spacing and target restrictions, for maximization of gas recovery.

<u>Approval Number</u>	<u>Name</u>
06-06-033	BP Project # 1
06-06-034	BP Project # 2
06-06-035	BP Project # 3
06-06-036	BP Project # 4
06-06-037	BP Project # 5
06-06-038	BP Project # 6
06-06-039	BP Project # 7

Please note that the approval area does not include the portions of units 52, 53, 62 and 63 of Block C/ 93-P-8 within One Island Lake Provincial Park. This area is excluded from Petroleum and Natural Gas Lease # 55498.

The requested area within Blocks A and B of 93-P-11 has not been granted GEP approval, as unproven for Cadomin gas potential at this time.

RESOURCE CONSERVATION BRANCH

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

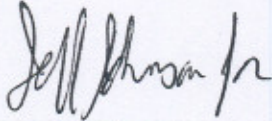
Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

June 2, 2006

Please note that some of the approval areas contain rights held under Drilling Licenses. Lease selections must be made prior to production from these gas spacing areas.

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

Sincerely,



Doug McKenzie
Director
Resource Conservation Branch

Attachment

RESOURCE CONSERVATION BRANCH

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

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 06-06-033

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

IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "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 the GEP scheme of BP Canada for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

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

1. The area of the project shall consist of:

93-P-01

Block J – units 58-60, 68-70, 72-80, 82-90, 94, 95, 98, 99

Block K – units 51, 61, 71-73, 81-83, 96, 97

93-P-08

Block B – units 4, 5, 8, 9, 18-20, 28-30

Block C – units 6, 7, 11-17, 21-27, 32-37, 42-47, 54-60, 64-70, 78-80, 88-90, 96-100

Block C – fractional units 52, 53, 62, 63

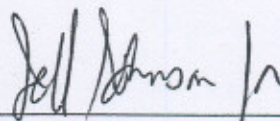
Block D – units 51, 61, 71-73, 81-83, 91-93

Block E – units 1-3, 11-33, 36-43, 46-70, 72-80, 82-90, 94-100

Block F – units 6-10, 16-20, 26-30, 38-40, 48-50, 54, 55, 58-60, 64, 65, 68-70, 76-79, 86-89

Block L – units 4-10, 14-19, 24-29, 38-40 and 48-50.

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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.

APPROVAL 06-06-034

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

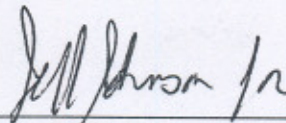
IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "A" gas pool without well spacing and target restrictions.

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

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

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

1. The area of the project shall consist of:
 - 93-P-07
 - Block F – units 51, 61, 71, 81
 - Block G – units 58-60, 68-70, 78-80 and 88-90.
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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.

APPROVAL 06-06-035

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

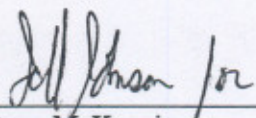
IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "A" gas pool without well spacing and target restrictions.

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

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

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

1. The area of the project shall consist of:
 - 93-P-07
 - Block G – units 51, 61
 - Block H – units 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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.

APPROVAL 06-06-036

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

IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "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 the GEP scheme of BP Canada for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

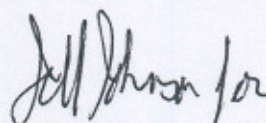
This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

93-P-07
Block I – units 80, 90
Block J – units 71-79, 81-89, 92-99

93-P-10
Block B – units 2-9.

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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.

APPROVAL 06-06-037

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

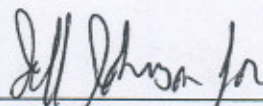
IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "A" gas pool without well spacing and target restrictions.

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

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

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

1. The area of the project shall consist of:
93-P-7
Block K – units 36, 37, 46, 47, 54, 55, 64 and 65.
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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.

APPROVAL 06-06-038

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

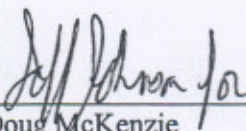
IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "A" gas pool without well spacing and target restrictions.

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

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

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

1. The area of the project shall consist of:
 - 93-P-10
 - Block A – units 16-19, 26-29, 38, 39, 48 and 49.
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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.

APPROVAL 06-06-039

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

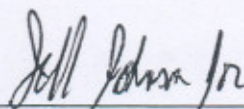
IN THE MATTER of a Good Engineering Practice (GEP) scheme of BP Canada Energy Company (BP Canada) for producing the Deep Basin field Cadomin "A" gas pool without well spacing and target restrictions.

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

an Application from BP Canada to the Commission dated May 3, 2006 and related submissions.

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

1. The area of the project shall consist of:
93-P-10
Block D – units 36-39 and 46-49.
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.



Doug McKenzie
Director
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2nd day of June 2006.