



January 23, 2006

3380-8400-59240-06
OGC - 06025

Roy A. Remus, P.Eng.
Senior Reservoir Engineer
Northern Plains / Slave Point Team
Burlington Resources Canada Ltd.
2100, 250-6th Avenue S.W.
Calgary AB T2P 3H7

Burlington Project (02)

Dear Mr. Remus:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1
DAHL SLAVE POINT "A" POOL

The Commission has reviewed your applications dated December 5 and 6, 2005 requesting amendments to the Good Engineering Practice (GEP) scheme previously approved for a portion of the Dahl - Slave Point "A" non-associated gas pool. The two application areas have been treated as one for the purpose of this approval.

Attached is Approval 05-06-016 (Amendment #1) granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval will allow the drilling of additional gas wells without regard for internal spacing and target regulations in order to optimize pool drainage and recovery. No objections were received following a publication of notice of the applications in the BC Gazette.

The well BRC HTR Dahl c-77-H/94-H-7 (WA 20021) is completed in a location at the edge of the project area which is outside of the gas target area. As such, production is restricted to an individual well off-target penalized daily gas allowable of 13.9 e³m³, as per sections 10(5) and 88(1a) of the *Regulation*. The off-target production penalty, and thus the gas allowable, may be waived by an order from the Commission under section 10(6), should a letter of no objection be provided from the registered owner of the affected gas spacing area (units 78, 79, 88 and 89 of Block H/94-H-7) to the west. Alternatively, as the allowable is imposed as a matter of equity and not conservation, Burlington Resources Canada Ltd. may apply for an annualized gas allowable to provide operational flexibility.

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

Sincerely,

Richard Slocomb, P. Eng.
A/Director
Resource Conservation Branch

Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.
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<input type="checkbox"/>	Dally	<input type="checkbox"/>	E. O'Neill
<input type="checkbox"/>	Wellfile	<input type="checkbox"/>	J. Merson
<input type="checkbox"/>	59240	<input type="checkbox"/>	D. Krezanoski
<input type="checkbox"/>	R. Slocomb	<input type="checkbox"/>	L. Miller
<input type="checkbox"/>	R. Stefik	<input type="checkbox"/>	Resource Rev.
<input type="checkbox"/>	G. Farr	<input type="checkbox"/>	S. Chicorelli

Attachments

RESOURCE CONSERVATION BRANCH

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APPROVAL 05-06-016 (Amendment #1)

**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 Burlington Resources Canada Ltd. (Burlington) for producing a portion of the Dahl field Slave Point "A" pool gas 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 amends the GEP scheme of Burlington for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Burlington to the Commission dated January 28, 2005, December 5, 2005 and December 6, 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-7 Block H – units 52, 53, 62, 63, 71-77, 81-87, 92-95
Block I – units 2-5

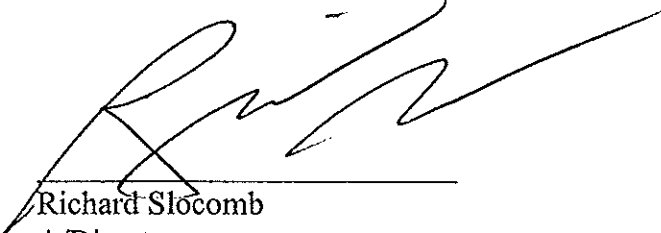
94-H-8 Block E – units 80 and 90.

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. Production from the well BRC HTR Dahl c-77-H/94-H-7 (WA 20021) is subject to an individual well off-target penalized daily gas allowable of $13.8 \times 10^3 \text{ m}^3$.

4. All other gas wells within the scheme area may be produced without individual well allowable restrictions.

5. This approval may be modified or rescinded at a later date if deemed appropriate.


Richard Stocomb
A/Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 24th day of January 2006.