February 23, 2006

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Mark Loucks
Sr. Exploitation Engineer
Elmworth Asset Team - North Business Unit
Burlington Resources Canada Ltd.
2100, Bow Valley Square 4
250 - 6th Avenue SW
Calgary AB T2P 3H7

Dear Mr. Loucks:

RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #2)
DEEP BASIN - CADOMIN "A" POOL

The Commission has reviewed your application dated January 10, 2006 and February 16, 2006 requesting an amendment to the Good Engineering Practice (GEP) for the Cadomin formation in the Brassey area.

Please note that the Commission has re-designated the area to be within the Deep Basin field for gas production from the Cadomin "A" pool.

The Approval 04-06-012 (Amendment #2) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. No objections were received following a publication of notice of the application in the BC Gazette. Please note that only the approval area is enlarged, all other conditions remain unchanged.

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

The approval area includes rights held under several Drilling Licences. 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 the undersigned at (250) 952-0366.

Sincerely, Approval Letters to Industry GEP, SWD, Concurrent Prod, Pressure Maintenance, Waterflood, Etc. Copy 12 Daily E. O'Neill Wellfile J. Merson Richard Slocomb, P. Eng. 59240 D. Krezanoski **Acting Director** R. Slocomb L. Miller Resource Conservation Branch R. Stefik Resource Rev. G. Farr S. Chicorelli Attachment

APPROVAL 04-06-012 (Amendment #2)

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 gas wells from the Deep Basin - Cadomin "A" 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 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 10, 2006 and February 16, 2006.

The scheme approval of February 9, 2004, amended August 27, 2004 is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

93-P-6: Block I - units 91-95

93-P-7: Block L - unit 100

93-P-10: Block B - units 60, 70, 80, 90, 100

Block C - units 51, 58-61, 68-73, 78-83, 88-93, 100

Block D - units 10, 20, 30, 40, 50-99

Block E - units 1-9, 11-19, 21-29, 38, 39, 48, 49, fractional 51-60

Block F - units 1-3, 10, 14-17, 20, 24-27, 30, 34-39, 44-49, fractional 58-60

Block G - unit 10

93-P-11: Block A – units 1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85

Block G - fractional unit 51

Block H – fractional units 51-60

T 76 - R 19 W6M - fractional sections 31-34

T 76 - R 20 W6M - fractional sections 31-36

T 76 - R 21 W6M – fractional section 36

T 77 - R 19 W6M - sections 3-6, 8, 9

T 77 - R 20 W6M - sections 1-11, 14-22

T 77 - R 21 W6M - sections 1, 12, 13 and 24.

- 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 scheme area may be produced without individual well allowable restrictions.

4. This approval may be modified or rescinded at a later date if deemed appropriates

Richard Sidcomb

Acting Director

Resource Conservation Board

DATED AT the City of Victoria, in the Province of British Columbia, this 23 day of February, 2006.