

May 16, 2003

Chris Stephens
Team Leader, Ring Border
Burlington Resources Canada Ltd.
2800, 605-5th Avenue S.W.
Calgary AB T2P 3H5

5160-4990-59240-06 OGC - 03114 Burlington Project (02)

Dear Mr. Stephens:

RE: GOOD ENGINEERING PRACTICE APPROVAL KAHNTAH RIVER BLUESKY-GETHING-MONTNEY "A" POOL

The Commission has reviewed your application dated April 14, 2003 requesting approval for a Good Engineering Practice (GEP) scheme for gas production from the Kahntah River field Bluesky/Gething pool.

Please note that the Commission designates the gas pool under application to be the Kahntah River field Bluesky-Gething-Montney "A" pool.

Attached is Approval 03-06-017 granted under Part 8, Division 6, Section 101 of the British Columbia Drilling and Production Regulation.

This approval will allow the drilling of additional gas wells without regard for spacing and target regulations in order to optimize pool drainage and recovery. No objections were received following a publication of notice of the application in the BC Gazette.

It is noted that two parcels, namely 50671 and 50673, within the GEP area are presently held under Drilling Licenses (DL). Please note that Petroleum and Natural Gas Lease selection must be made prior to production.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311

| Sincerely, | Approval Letters to Industry GEP, SWD, CONCURRENT PI PRESSURE MAINTENANCE, WATERFLOOD, ETC. Copy 9 | 301 |
|---|--|-----|
| Craig Gibson. P. Eng. | Wellfile (originals) 59240 Daily | |
| Manager Reservoir Engineering and Geology | Resource Revenue S. Chicorelli | : |
| Attachment | R. Stefik G. Farr P. Attariwala | • |
| ENGINEERING AN | ND GEOLOGY BRANG D. Krezanoski | |

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291 Location: 6th Flr 1810 Blanshard St, Victoria BC

APPROVAL 03-06-017

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 Kahntah River field Bluesky-Gething-Montney "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 approves 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 April 14, 2003.

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

1. The area of the scheme shall consist of:

94-H-15

Block B – units 72-77, 82-87, 92-97

Block G – units 2-7, 11-17, 21-27, 31-37, 41-47, 51-57, 61-67, 71-77, 81-87, 91-95

Block H – units 20, 30, 38-40, 48-50, 58-60, 68-70, 80, 90, 100

Block I – units 10, 18-20, 28-30

Block J – units 1-5, 11-15, 21-25, 32-35, 42-45.

- 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 appropriate.

Derek Doyle

Commissioner

Oil and Gas Commission