



OIL AND GAS COMMISSION

August 3, 2000

2200-4800/5800-4800-59240-06
OGC - 000205

Kerry D. Rawson, P.Eng.
Staff Petroleum Engineer
New Business Development
Coastal Oil & Gas Canada, Inc.
2800, 707 - 8th Avenue SW
Calgary AB T2P 1H5

COASTAL PROJECT (02)

Dear Mr. Rawson:

**RE: GOOD ENGINEERING PRACTICE APPROVALS
BUBBLES AND LAPRISE CREEK WEST HALFWAY FORMATION**

The Commission has reviewed your application dated May 17, 2000 requesting Good Engineering Practice (GEP) scheme approval for the Halfway formation in the Bubbles and Laprise areas.

Approvals 00-06-004 and 00-06-005 are hereby granted under Part 8, Division 6, section 101 of the British Columbia *Drilling and Production Regulation*. These approvals will allow the drilling of gas wells without regard for spacing and target regulations in order to optimize pool drainage and recovery. Objections received following publication of a notice of your application in two issues of the BC Gazette have resulted in a modification of the approval area from that proposed.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at 952-0310.

Sincerely,

Craig Gibson, P. Eng.
Manager
Reservoir Engineering and Geology

Attachments

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 10

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- C. Gibson
- D. Krezanoski

ENGINEERING AND GEOLOGY BRANCH

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

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 00-06-004

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

Bubbles - Halfway

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Coastal Oil & Gas Canada, Inc. (Coastal) for producing Bubbles Halfway Formation gas wells without spacing and target restrictions.

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

an Application from Coastal to the Commission dated May 17, 2000.

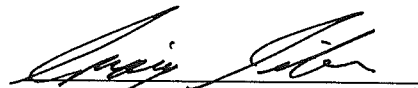
This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of;

94-G-1 Block I - units 32-39, 42-49, 52-59, 62-69, 72-79, 82-89, 92-100
Block J - unit 91

94-G-8 Block A - units 2-10, 14-20, 24-30, 36-39, 46-49
Block B - units 1, 11, 21

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.



Craig Gibson
Manager
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 3rd day of August 2000.

APPROVAL 00-06-005

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 Coastal Oil & Gas Canada, Inc. (Coastal) for producing Laprise Creek West Halfway Formation gas wells without spacing and target restrictions.

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

an Application from Coastal to the Commission dated May 17, 2000.

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

1. The area of the project shall consist of;

94-G-8 Block B - units 92, 93

Block F - units 71-73, 81-83, 91-93

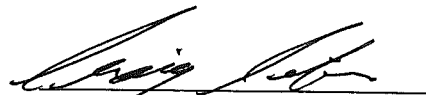
Block G - units 2, 3, 11-13, 21-23, 31-37, 41-47, 51-59, 61-69, 76-80, 86-90, 96-100

Block H - units 20, 30, 40, 50, 60, 70

Block J - units 6-10, 16-20, 26-30, 36-40, 46-50

Block K - units 1-3, 11-13, 21-23, 31-33, 41-43, 52-55, 62-65

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.



Craig Gibson
Manager
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 27th day of August 2000.