



OIL AND GAS COMMISSION

June 26, 2008

800-4800-59240-06

Neil Rubeniuk
Subsurface Regulatory & Royalty Optimization
ConocoPhillips Canada Resources Corp.
2100 Bow Valley Square IV
250 – 6th Avenue S.W.
Calgary AB T2P 3H7

Dear Mr. Rubeniuk:

RE: GOOD ENGINEERING PRACTICE APPROVAL
BEG – HALFWAY “A” POOL

The Commission has reviewed your application dated April 18, 2008 and supplementary information provided May 30, 2008 requesting a Good Engineering Practice (GEP) scheme approval for producing Halfway formation gas from the Blueberry field.

The area of application offsets the Beg – Halfway “A” pool, where there are existing GEP approvals. Although logs indicate that the well COP Blueberry c-95-D/94-A-13 (WA# 21276) has encountered Halfway pay, ConocoPhillips has not completed the interval for production. Therefore the Commission has not yet assigned this well to any pool in the area. It is expected that this well will be mapped as part of the Beg – Halfway “A” pool once production has been proven.

Attached is a GEP scheme approval for the subject area. The Approval 08-06-019 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*.

The approval is intended to allow operational flexibility and to allow the drilling of additional gas wells without spacing, target or production considerations for maximization of gas recovery. No objections were received following posting of notice of the application on the OGC website.

Should you have any questions, please contact the undersigned (250) 952-0366 or Kelly Okuszko at (250) 952-0176.

Sincerely,

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering

Attachment

RESOURCE CONSERVATION

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Fir 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 08-06-019

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

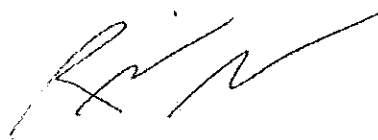
IN THE MATTER of a Good Engineering Practice (GEP) scheme of ConocoPhillips Canada Resources Corp. (ConocoPhillips) to gas from a portion of the Beg – Halfway “A” pool without well spacing, target or production restrictions.

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

an Application from ConocoPhillips to the Commission dated April 18, 2008 and related submissions.

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

1. The area of the project shall consist of:
094-A-13 Block D – units 94 and 95
Block E – units 4 and 5.
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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 26th day of June 2008.