

September 29, 2006

9030-2800-59240-06

Neil Rubeniuk
Engineering Supervisor
Subsurface Regulatory and Royalty Optimization
Conoco Phillips Canada Resource Corporation
PO Box 130, 401-9th Avenue S.W
Calgary, Alberta
T2P 2H7

Dear Mr. Rubeniuk:

RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #3) DEEP BASIN - CADOMIN "A" POOL

The Commission has reviewed your application dated August 22, 2006 requesting an amendment to the Good Engineering Practice (GEP) for the Cadomin formation in the Brassey area.

The Approval 04-06-012 (Amendment #3) 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.

Should you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely,

for Doug McKenzie

Director

Resource Conservation Branch

Attachment

## APPROVAL 04-06-012 (Amendment #3)

## THE PROVINCE OF BRITISH COLUMBIA <u>PETROLEUM AND NATURAL GAS ACT</u> DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of ConocoPhillips Canada Resources Corporation (ConocoPhillips) 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 August 22, 2006.

The scheme approval of February 9, 2004, amended August 27, 2004 and February 23, 2006 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 K – unit 100

Block L – units 91-100

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

Block C - units 10, 20, 30, 40, 50, 51, 58-61, 68-73, 78-83, 88-93, 100

Block D - units 1-35, 40-45, 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

T77 - R20 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 appropriate.

Doug McKenzie

Director

Resource Conservation Branch

for

DATED AT the City of Victoria, in the Province of British Columbia, this 29th day of September 2006.