

February 5, 2008 4485-4990-59240-06

Neil Rubeniuk
Engineering Manager
Subsurface Regulatory and Royalty Optimization
ConocoPhillips Canada
2100, 250 – 6th Avenue S.W.
Calgary AB T2P 3H7

Dear Mr. Rubeniuk:

RE: GOOD ENGINEERING PRACTICE APPROVAL AMENDMENTS <u>GUTAH FIELD - BLUESKY-GETHING-MON</u>TNEY "A", "B" and "D" POOLS

Commission staff have reviewed your application, dated December 12, 2007, requesting amendment to Good Engineering Practice (GEP) scheme approvals to produce Bluesky-Gething-Montney pools in the Gutah field.

The Commission has re-mapped this area based on present well control. As a result, the former Bluesky-Gething-Montney "E" pool has been amalgamated with the "A" pool. The former Bluesky-Gething-Montney "C" pool is now part of the "B" pool.

Attached are Approvals 05-06-013 (Amendment #2) "A" pool, 06-06-001 (Amendment #1) "B" pool, and 06-06-003 (Amendment #1) "D" pool, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Approvals 06-06-002, "C" pool, and 06-06-004, "E" pool, issued January 5, 2006, are hereby rescinded.

These approvals will allow the drilling of gas wells without regard for spacing and target restrictions in order to optimize pool drainage and recovery. No objections were received following a public notice of the application. Approval areas have been modified to reflect current mapping and incorporate additional requested development lands, all other conditions remain unchanged.

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

Sincerely,

for Richard Slocomb, P. Eng. Supervisor, Reservoir Engineering

Resource Conservation

Attachments

APPROVAL 06-06-001 (AMENDMENT #1)

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 (ConocoPhillips) for producing Gutah field Bluesky-Gething-Montney "B" 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 amends the GEP scheme of ConocoPhillips for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from ConocoPhillips to the Commission dated December 12, 2007 and related submissions.

The scheme approval of January 5, 2006, is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

94-H-10 Block E – units 96-100 Block L – units 6-10, 18-20, 28-30, 60, 70 94-H-11 Block H – units 91-93 Block I – units 1-3, 11-13, 21-23, 34-40, 44-50, 51-70 Block J – units 31, 41, 51, 61.

- 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.

for Richard Slocomb

Supervisor, Reservoir Engineering

Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 5th day of February 2008.

APPROVAL 06-06-003 (AMENDMENT #1)

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 (ConocoPhillips) for producing Gutah field Bluesky-Gething-Montney "D" 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 amends the GEP scheme of ConocoPhillips for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from ConocoPhillips to the Commission dated December 12, 2007 and related submissions.

The scheme approval of January 5, 2006, is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

94-H-11 Block I – units 72-75, 82-85, 92-97 94-H-14 Block A – units 2-7, 14-20, 24-30, 36-40, 46-50 Block B – units 11, 21, 31 and 41.

- 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.

for Richard Slocomb Supervisor, Reservoir Engineering Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 5th day of February 2008.

APPROVAL 05-06-013 (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 ConocoPhillips Canada (ConocoPhillips) for producing Gutah 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 amends the GEP scheme of ConocoPhillips for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from ConocoPhillips to the Commission dated December 12, 2007 and related submissions.

The scheme approval of January 5, 2006, is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

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94-H-10
Block E – unit 91
Block F – units 96-100
Block J – units 20, 30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90, 100
Block K – units 6-100
Block L – units 1, 11-17, 21-27, 31-37, 41-47, 51-59, 61-69, 71-100
94-H-11
Block I – units 71, 81, 91
94-H-14
Block A – units 1, 11-13, 21-23, 31-33, 41-43, 51, 61
94-H-15
Block B – unit 10
Block C – units 1-10, 14-17, 24-27.
Block D – units 1-10, 14-20, 24-30, 34-40, 44-50, 58-60 and 68-70.
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- 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.

for Richard Slocomb Supervisor, Reservoir Engineering Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 5th day of February 2008.