



September 10, 2008

9021-5000-59240-06

Neil Rubeniuk
Engineering Manager
Subsurface Regulatory & Royalty Optimization
ConocoPhillips Canada
2100 Bow Valley Square IV,
250 – 6th Avenue S.W.
Calgary, Alberta T2P 3H7

Dear Mr. Rubeniuk:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
NOEL, SUNDOWN & TUPPER CREEK – MONTNEY FORMATION**

The Commission has reviewed your application, dated June 16, 2008, for Good Engineering Practice (GEP) scheme approval for producing Montney formation gas from a portion of the Noel, Sundown and Tupper Creek fields.

The Commission has not currently designated any Montney pools in the subject areas pending successful development. However, based on offsetting development, the Montney is prospective in the area and will likely become part of the Heritage – Montney “A” pool.

Approvals 08-06-025 (Conocophillips Project #1), 08-06-026 (Conocophillips Project #2), 08-06-027 (Conocophillips Project #3) and 08-06-028 (Conocophillips Project #4) are hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

These approvals are intended to allow the production of gas wells without spacing consideration for maximization of gas recovery. No objections were received following publication of the application notice.

Should you have any questions, please contact the undersigned at (250) 952-0366 or Kelly Okuszeko at (250) 952-0325.

Sincerely,

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 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 08-06-025

**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) for producing Montney formation gas from a portion of the Noel field 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 ConocoPhillips for drilling wells without spacing and target restrictions, as such the scheme is described in

an Application from ConocoPhillips to the Commission dated June 16, 2008 and related submissions.

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

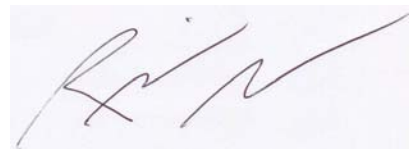
1. The area of the scheme shall consist of:

093-P-08: Block C – units 92-95
Block F – units 2-5, 14-17, 24-27

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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 10th day of September, 2008.

APPROVAL 08-06-026

**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) for producing Montney formation gas from a portion of the Tupper Creek field 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 ConocoPhillips for drilling wells without spacing and target restrictions, as such the scheme is described in

an Application from ConocoPhillips to the Commission dated June 16, 2008 and related submissions.

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

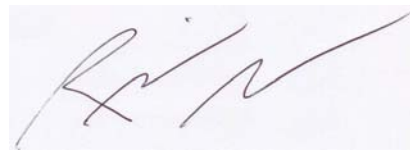
1. The area of the scheme shall consist of:

093-P-08: Block F – units 74-77, 84-87, 94-97
Block K – units 4-7.

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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 10th day of September, 2008.

APPROVAL 08-06-027

**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) for producing Montney formation gas from a portion of the Sundown field 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 ConocoPhillips for drilling wells without spacing and target restrictions, as such the scheme is described in

an Application from ConocoPhillips to the Commission dated June 16, 2008 and related submissions.

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

1. The area of the scheme shall consist of:

093-P-08: Block L – units 91-97

093-P-08: Block K – unit 100

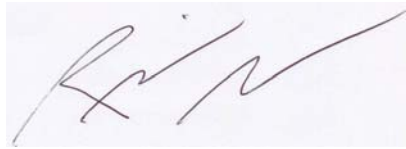
093-P-09: Block C – units 10, 20, 30

093-P-09: Block D – units 1-7, 11-17, 21-27

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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 10th day of September, 2008.

APPROVAL 08-06-028

**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) for producing Montney formation gas from a portion of the Tupper Creek field 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 ConocoPhillips for drilling wells without spacing and target restrictions, as such the scheme is described in

an Application from ConocoPhillips to the Commission dated June 16, 2008 and related submissions.

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

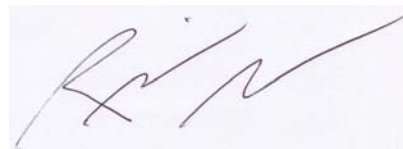
1. The area of the scheme shall consist of:

093-P-08: Block F – unit 91
Block G – units 72-79, 82-89, 91-100
Block H – units 94-100
Block I – units 4-10, 11-19, 21-29, 36-40, 46-50, 56-60, 66-70, 80, 90
Block J – units 1-10, 12-19, 22-29, 31-40, 41-50, 51-60, 61-70, 71-79, 81-89
Block K – units 1, 31, 41, 51-55, 61-65

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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 10th day of September, 2008.