



OIL AND GAS COMMISSION

April 2, 2007

3540-2900-59240-06

Kurtis Fischer  
Senior Engineering Technologist  
Crew Energy Inc.  
1920, 205 – 5<sup>th</sup> Avenue SW  
Calgary AB T2P 2V7

*Crew Energy Project (02)*

Dear Mr. Fischer:

**RE: GOOD ENGINEERING PRACTICE APPROVAL  
FIREWEED – DUNLEVY “L” POOL**

Commission staff have reviewed the application, dated January 29, 2007, requesting Good Engineering Practice (GEP) scheme approval for producing oil from the Fireweed field Dunlevy “L” pool.

At present, production is occurring from a single vertical well, Crew Inga c-70-A/94-A-13 (WA# 21663). Completed in September 2006, c-70-A encountered a reservoir at partially depleted pressure attributed to previous gas cap production from the well CNRL Fireweed a-69-A/94-A-13 (WA# 4503), suspended in 1981. The GEP application proposes the development drilling of up to five horizontal wells within the area of four oil spacing areas. The Commission agrees that this strategy should increase primary recovery compared to conventional vertical wells. GEP approval will facilitate flexibility for well locations and density. However, delineation drilling and production performance is required before a project oil allowable may be granted. Therefore, wells will initially remain subject to the requirements of individual daily oil allowables (DOAs), as a conservation measure. A single project DOA, based on volumetric reserves, may be granted following the completion of additional successful wells.

Attached is Approval 07-06-013, granted under Section 101 of the *Drilling and Production Regulation*. This approval is intended to allow the drilling and production of wells within the GEP area without regard for individual spacing and target considerations, for maximization of oil recovery.

As to the application dated March 21, 2007, the requirement for obtaining a well bore directional survey for the well Crew Inga c-70-A/94-A-13 (WA# 21663) is hereby waived, as per Section 51(2) of the *Regulation*.

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

Sincerely,

Doug McKenzie  
Director  
Resource Conservation Branch

Attachment

---

**RESOURCE CONSERVATION BRANCH**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110<sup>th</sup> Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 07-06-013

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 Crew Energy Inc. (Crew) for producing the Fireweed – Dunlevy “L” oil 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 the GEP scheme of Crew for drilling wells without spacing and target restrictions, as such scheme is described in

*an Application from Crew to the Commission dated January 29, 2007, and related submissions.*

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

1. The area of the project shall consist of:

94-A-13: Block A – units 60 and 70  
Block B – units 51 and 61.

2. The requirements of Section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the project area are not completed nearer than 100 m to the sides of the approved project area.

3. Oil wells within the project area shall be subject to individual well daily allowable restrictions.

4. This approval may be modified or rescinded at a later date if deemed appropriate.



Doug McKenzie  
Director  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 2<sup>nd</sup> day of April 2007.