



OIL AND GAS COMMISSION

October 23, 2006

2200-4100-59240-06

Allan Mayder, P.Eng.
Exploitation Engineer
Devon Canada Corporation
2000, 400 – 3rd Avenue S.W.
Calgary AB T2P 4H2

Dear Mr. Mayder:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1
BUBBLES – BALDONNEL “A” POOL**

The Commission has reviewed your application dated September 14, 2006 requesting an amendment to the Good Engineering Practice (GEP) scheme approval issued November 2, 1967 for producing gas from the Bubbles – Baldonnel “A” pool.

Attached is Approval 67-06-002, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This amendment to the boundaries of the GEP conforms to include only complete gas spacing areas.

Please be aware that the well WGS1 Bubbles b-19-A/94-G-08 (WA# 464) is an active acid gas disposal well in the Baldonnel “A” pool. Any drilling activity in proximity to this location should be closely monitored for anomalous levels of sour gas.

This approval is intended to allow operational flexibility and to allow the drilling and production of gas wells without spacing and target considerations for maximization of gas recovery.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Doug McKenzie', is written over a light blue rectangular background.

per Doug Mckenzie
Director
Resource Conservation Branch

Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 67-06-002 (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 Devon Canada Corporation (Devon) for producing a portion of the Bubbles – Baldonnel “A” gas 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 amends the GEP scheme of Devon for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Devon to the Commission dated September 14, 2006.

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

1. The area of the project shall consist of:

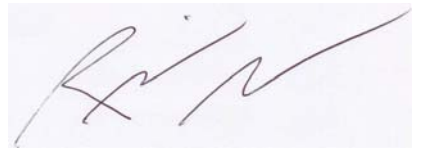
94-G-1:

Block I - units 12-15, 22-25, 32-37, 42-47, 54-59, 64-69, 76-79, 86-89, 98, 99

94-G-8

Block A – units 8 and 9.

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 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.



per Doug Mckenzie
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 23rd day of October 2006.