



September 4, 2003

2985-8400-59240-06

OGC - 03243

R. Peter Morissette
Exploration Engineer
Devon Canada Corporation
1600, 324 - 8th Avenue S. W.
Calgary AB T2P 2Z5

Devon Project (02)

Dear Mr. Morissette:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
CHINCHAGA SLAVE POINT "B" POOL**

RIVER

Attached is a Good Engineering Practice (GEP) scheme approval for the subject pool, as requested in your application of July 18, 2003.

The Approval 03-06-034 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. This approval will allow the drilling of gas wells without regard for spacing and target regulations in order to optimize pool drainage and recovery. No objections were received following a publication of notice of the application in the BC Gazette.

Please note that a project daily gas allowable has not been specified in the GEP approval. However, a gas allowable may be imposed at a later date if water drive is suspected in the pool, as per Section 88(1)(d) of the *Regulation*.

The target area has been modified to 100m to the east boundary of the GEP area. The normal requirement of 250m remains for all other directions, however an off-target penalty would not apply for a well completed off-target to the west, as the present rights to the GEP and affected land are held under a common Lease. Application may be made to waive the penalty for a well completed off-target to the north or south, on an individual well basis.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310.

Sincerely,

Craig Gibson, P. Eng.
Manager
Reservoir Engineering and Geology

Attachment

**Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.**

Copy 10

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- C. Gibson
- D. Krezanoski

ENGINEERING AND GEOLOGY BR

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www.ogc.gov.bc.ca

APPROVAL 03-06-034

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 the Chinchaga Slave Point "B" pool gas without well spacing, target and production 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 Devon for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Devon to the Commission dated July 18, 2003.

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

1. The area of the project shall consist of:

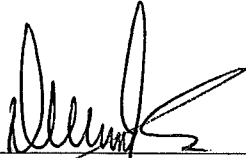
94-H-1
Block I - units 91-93

94-H-8
Block A - units 1-3.

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 100 m to the East and 250 m to the North, South and West sides of the approved project area.

3. The gas wells within the project area may be produced without individual well allowable restrictions.

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



Derek Doyle
Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 28 day of August 2003.