



December 2, 2004

7250-2400-59240-06
OGC - 04339

Sara Whelen, C.E.T.
NE BC Exploitation Department
Devon Canada Corporation
2000, 400 - 3rd Avenue S.W.
Calgary AB T2P 4H2

Devon Project #1 (04)

Dear Ms. Whelen:

**RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #1)
PICKELL - NOTIKWIN "A" POOL**

Attached is a Good Engineering Project (GEP) scheme approval for a portion of the subject pool, as requested in your application of October 26, 2004.

On April 8, 2004, the Commission issued Devon Canada two separate GEP approvals 04-06-033 and 04-06-034. The subject amended area has resulted in the amalgamation of these two approval areas into one large project area. Therefore the Approval 04-06-033 (Amendment #1), which includes the area previously approved under GEP Approval 04-06-034, is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Consequently the GEP Approval 04-06-034 granted on April 8, 2004, is hereby rescinded. → Devon Proj #2

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

Should you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

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

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- R. Slocomb
- D. Krezanoski

RESOURCE CONSERVATION BRANCH

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

APPROVAL 04-06-033 (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 Pickell - Notikewin "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 approves an amendment to 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 October 26, 2004.

The scheme approval dated April 8, 2004 is hereby amended, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

94-H-3: Block F – units 71, 81, 91

Block G – units 32-35, 42-45, 51, 56, 57, 61, 66, 67, 71-100

Block H – units 60, 70, 78-80, 88-90, 96-100


Block I – units 6-10, 20, 30, 58-60, 68-70, 80, 90

Block J – units 1-19, 21-29, 32-37, 42-47, 51-57, 61-67, 71-75, 81-85, 92, 93

Block K – unit 1

94-H-6: Block B – units 2 and 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 250 m to the sides of the approved project area.
3. The gas wells within the project area, except those located within spacing areas directly adjoining producing non-project spacing areas, may be produced without individual well allowable restrictions.
4. Gas wells located within spacing areas directly adjoining producing non-project spacing areas must be restricted to a daily gas allowable of $60.0 \text{ } 10^3 \text{ m}^3$, per spacing area, as per Section 88(7) of the *Regulation*.
5. This approval may be modified or rescinded at a later date if deemed appropriate.


Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 30th day of November 2004.