

OIL AND GAS COMMISSION

July 19, 2004

2400/7600-2600-59240-06 OGC – 04222

Dominion Project (02)

Susan L. Cowitz, CET BC Asset Team Dominion Exploration Canada Ltd. Suite 3200, 605 – 5th Avenue SW Calgary AB T2P 3H5

Dear Ms. Cowitz:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #3
BUICK CREEK BLUESKY "C" & RIGEL BLUESKY "D" POOLS

Attached is a Good Engineering Practice (GEP) scheme approval amendment for the subject pools, as requested in your application of April 16, 2004.

The Approval 97-06-007 (Amendment #3) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Please note that this applies to production from the Buick Creek - Bluesky "C" and Rigel - Bluesky "D" gas pools. This amendment expands the approval area to include two additional Other Than Normal Spacing areas.

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 from these low producibility mature pools.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at 952-0310. Sincerely, Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE. WATERFLOOD, ETC. Wellfile (originals) 59240 Daily Craig Gibson, P. Eng. Resource Revenue Director S. Chicorelli Resource Conservation Branch R. Stefik G. Farr P. Attariwala Attachment 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 97-06-007 (Amendment #3)

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 Dominion Exploration Canada Ltd. (Dominion) for producing Buick Creek Bluesky "C" and Rigel Bluesky "D" gas wells without 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 for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Dominion to the Commission dated October 29, 2002 and April 16, 2004.

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

1. The area of the scheme shall consist of:

Township 88 Range 16 - section 30

Township 88 Range 17 - sections 4, 5, 8, 9, 16, 17, 19-30 and fractional sections 31-36

Township 88 Range 18 - sections 22-27 and fractional sections 32-36

94-A-10/Block I - fractional units 16-20 and units 26-30, 32-40, 42-50, 56-60, 66-70, 78, 79, 88 and 89

Block J - fractional units 11-20 and units 21-70, 72-80, 82-90 and 100

Block K - fractional units 11-17 and units 21-27, 31-35, 41-45, 51-53, 61-63, 71, 72, 81, 82 and 91

94-A-15/Block B - units 10, 18-20, 28-30, 40 and 50

Block C - units 1, 11-13, 21-23, 31 and 41.

- 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 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.

Zameron Jones

Deputy/Commissioner

Oil and Gas Commission

DATED AT the City of Fort St John, in the Province of British Columbia, this 5 day of July 2004.