

August 27, 2004

2400-2900-59240-06 OGC - 04255

Rod Hume, P.Eng. BC Asset Team Dominion Exploration Canada Ltd. Suite 3200, 605-5 Avenue S.W. Calgary AB T2P 3H5

Dominion Project (02)

Dear Mr. Hume:

RE: GOOD ENGINEERING PRACTICE APPROVAL BUICK CREEK – DUNLEVY "P" POOL

The Commission has reviewed the application dated July 21, 2004 requesting a Good Engineering Practice (GEP) scheme approval for producing oil from the Buick Creek – Dunlevy "P" pool.

Attached is a Good Engineering Project (GEP) scheme approval for the subject pool. The Approval 04-06-055 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility to quantify pool oil reserves for evaluation of waterflood potential to maximize oil recovery.

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

Sincerely,

Craig Gibson, P. Eng.

Director

Resource Conservation Branch

Attachment

GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.

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Wellfile (originals)

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Daily

Resource Revenue

S. Chicorelli

R. Stefik

G. Farr

R. Slocomb

D. Krezanoski

Approval Letters to Industry

## APPROVAL 04-06-055

## 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 the Buick Creek Dunlevy "P" 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 Dominion for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Dominion to the Commission dated July 21, 2004.

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

- 1. The area of the scheme shall consist of:
  - 94-A-11 Block K unit 81.
- 2. The project daily oil allowable is 58.7 m<sup>3</sup>.

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- 3. Associated gas production must be conserved.
- 4. The requirements of Section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved scheme area.
- 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 33 day of August 2004.