



OIL AND GAS COMMISSION

March 22, 2007

9030-2800-59240-06

R. A. Pachovsky, P. Eng.
Senior Staff Engineer
Duvernay Oil Corp.
1500, 202 – 6th Avenue SW
Calgary AB T2P 2R9

Dear Mr. Pachovsky:

RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #1)
DEEP BASIN - CADOMIN "A" POOL

The Commission has reviewed your application dated March 2, 2007 requesting an amendment to the Good Engineering Practice (GEP) for the Groundbirch Cadomin "A" pool.

Please note that the Commission has re-designated the area to be within the Deep Basin field for gas production from the Cadomin "A" pool.

The Approval 05-06-045 (Amendment #1) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Please note that only the approval area is enlarged, all other conditions remain unchanged.

This approval is intended to allow operational flexibility and to allow the drilling and production 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,

Doug McKenzie
Director
Resource Conservation Branch

Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 05-06-045 (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 Duvernay Oil Corp. (Duvernay) for producing the Deep Basin – Cadomin “A” pool gas wells without 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 an amendment to the GEP scheme of Duvernay for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Duvernay to the Commission dated March 2, 2007.

The scheme approval of November 4, 2005 is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

- T 77-R 18 W6M: sections 30 and 31
- T 77-R 19 W6M: sections 20-29 and 32-36
- T 78-R 18 W6M: sections 6 and 7
- T 78-R 19 W6M: sections 1-5 and 9-12.

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 may be produced without individual well allowable restrictions.

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 This approval may be modified or rescinded at a later date if deemed appropriate.



Doug McKenzie
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 22nd day of March 2007.