



OIL AND GAS COMMISSION

April 16, 2004

4390-4900-59240-06
OGC - 04120

Paul Walmsley, P.Eng.
Vice President - Business Development
Duvernay Oil Corp.
1500, 202 - 6th Avenue S.W.
Calgary AB T2P 2R9

Duvernay Project (02)

Dear Mr. Walmsley:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1
GRONDBIRCH - DOIG "A" POOL

Attached is a Good Engineering Practice (GEP) scheme approval amendment for gas production from the Doig "A" pool of the Groundbirch field, as requested in your applications of February 12 and March 18, 2004.

The Approval 03-06-038 (Amendment #1) 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 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 regarding this approval, please contact Peter Attariwala at (250) 952-0311 or 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 90

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- 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 03-06-038 (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 Corporation (Duvernay) for producing a portion of the Groundbirch - Doig "A" pool gas 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 August 18, 2003 and March 18, 2004.

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

1. The area of the project shall consist of:

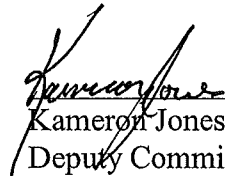
T78-R19 W6M: sections 32 and 33

T79-R19 W6M: sections 3, 4, 9, 10, 15 and 16.

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.


Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 6 day of April 2004.