

December 18, 2006 4390-4900-59240-06

Roman Pachovsky, P.Eng. Senior Staff Engineer Duvernay Oil Corp. 1500, 202 – 6<sup>th</sup> Avenue S.W. Calgary AB T2P 2R9

Dear Mr. Pachovsky:

## RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #6 GROUNDBIRCH - DOIG "A" POOL

Attached is a Good Engineering Practice (GEP) scheme approval amendment for gas production from the Groundbirch – Doig "A" pool, as requested in your application dated October 31, 2006.

The Approval 03-06-038 (Amendment #6) 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.

The amendment area includes rights held under Drilling Licenses 56597 and 57712. Please be aware that Lease selection is required prior to production from wells completed within the License areas.

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

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch

Attachment

## **APPROVAL 03-06-038 (AMENDMENT #6)**

## 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" gas pool 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 October 31, 2006.

The scheme approval of October 8, 2003, amended April 6, 2004, October 27, 2004, April 4, 2005, June 8, 2005, July 27, 2006 is hereby amended, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

T77-R18 W6M: sections 30, 31

T77-R19 W6M: sections 25-27, 34-36

T78-R19 W6M: sections 1-4, 9-12, 14-16, 21-23, 26-28, 32-34 T79-R19 W6M: sections 2-5, 8-10, 15-17, 19-21 and 28-30.

- 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 18th day of December 2006.