



OIL AND GAS COMMISSION

December 3, 2007

1200-2900-59240-06

Christine Mercier, P.Eng.  
Exploitation Engineer, B.C.  
ENCO Gas Ltd.  
c/o Crew Energy Inc.  
Suite 1400, 425 – First Street S.W.  
Calgary AB T2P 3L8

Dear Ms. Mercier:

**RE: GOOD ENGINEERING PRACTICE APPROVAL**  
**BERNADET - DUNLEVY "A" POOL**

The Commission has reviewed your application dated October 3, 2007 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from a portion of the Bernadet - Dunlevy "A" pool.

The Approval 07-06-043 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. No objections were received following a publication of notice of the application in the OGC website.

This approval is intended to allow operational flexibility and to allow the drilling and production of additional gas wells within the GEP area for maximization of gas recovery.

Should you have any questions, please contact the undersigned at (250) 952-0366.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb', written over a light blue horizontal line.

Richard Slocomb, P. Eng.  
Supervising Reservoir Engineer

Attachment

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**RESOURCE CONSERVATION**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110<sup>th</sup> Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 [www.ogc.gov.bc.ca](http://www.ogc.gov.bc.ca)

APPROVAL 07-06-043

**THE PROVINCE OF BRITISH COLUMBIA**  
**PETROLEUM AND NATURAL GAS ACT**  
**DRILLING AND PRODUCTION REGULATION**  
**OIL AND GAS COMMISSION**

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IN THE MATTER of a Good Engineering Practice (GEP) scheme of ENCO Gas, Ltd. (ENCO) for producing a portion of the Bernadet - Dunlevy "A" gas pool without well 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 the GEP scheme of ENCO for drilling wells without spacing and target restrictions, as such scheme is described in

*an Application from ENCO to the Commission dated October 3, 2007.*

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

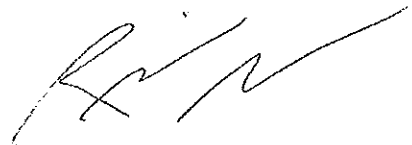
1. The area of the project shall consist of:

Twp 87 Rge 24 W6M - section 31.

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.



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Richard Slocomb  
Supervising Reservoir Engineer  
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 3<sup>rd</sup> day of December 2007.