



OIL AND GAS COMMISSION

March 10, 2008

1300-8200-59240-06

Josephine Nau
Production Manager
Foothills/NW Plains – Rainbow Assets
Husky Oil Operations Limited
707 - 8th Avenue S.W.
Box 6525, Station D
CALGARY, AB T2P 3G7

Dear Ms. Nau:

RE: GOOD ENGINEERING PRACTICE APPROVAL AMENDMENT #1
BIVOUAC - JEAN MARIE "A" POOL

Attached is a Good Engineering Practice (GEP) scheme approval amendment for the subject pool, as requested in your application of February 7, 2008.

The Approval 04-06-035 (Amendment #1) is granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility and to allow the drilling of additional gas wells without spacing and target considerations for maximization of gas recovery. No objections were received following a publication of notice of the application in the OGC website.

It is noted that some parcels within the GEP Approval 04-06-035 (Amendment #1) area are presently held under Drilling Licenses (DL). Please note that Petroleum and Natural Gas Lease selection must be made prior to production.

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

Sincerely,

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering
Resource Conservation

Attachment

RESOURCE CONSERVATION

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

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APPROVAL 04-06-035 (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 Husky Oil Operations Limited (Husky) for producing the Bivouac – Jean Marie “A” gas pool without target and spacing 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 Husky for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Husky to the Commission dated February 7, 2008 and related submission.

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

1. The area of the scheme shall consist of;

94-I-8

Block A – units 80, 90, 100

Block B – units 71-79, 81-89, 91-99

Block F – units 31, 41

Block G – units 1-9, 11-17, 21-27, 31-59, 61-69, 71-79, 81-89, 91-99

Block H – units 10, 20, 30, 36-40, 46-50, 56-60, 66-100

Block I – units 1-50, 56-60, 66-70, 76-80, 86-90, 96-100

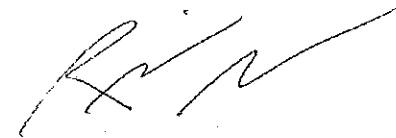
Block J – units 1-9, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-79, 81-89, 91-99

94-I-9

Block A – units 6-10, 16-20, 26-30

Block B – units 1-9, 11 and 21.

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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 10th day of March 2008.