

January 20, 2003

5600-4150/4800-59240-06 OGC - 03019

Murray Mason, P. Eng. Vice-President Production Impact Energy Inc. 1400, 340 – 12th Avenue SW Calgary AB T2R 1L5

Dear Mr. Mason:

Attachments

RE:	GOOD ENGINEERING PRACTICE APPROVALS	
	LAPRISE CREEK - BALDONNEL/UPPER CHARLIE LAKE "D"	Impact Proj (02)
	LAPRISE CREEK - HALFWAY "C" POOL	Impact Proj (02)

Attached are two Good Engineering Practice (GEP) scheme approvals for the subject pools, as requested in your application of December 16, 2002.

The approvals are hereby granted under Part 8, Division 6, Section 101 of the British Columbia Drilling and Production Regulation. Please note that Approval 03-06-002 applies to production from the Laprise Creek Baldonnel/Upper Charlie Lake "D" pool whereas Approval 03-06-003 applies to production from the Laprise Creek Halfway "C" gas pool.

These approvals are intended to allow operational flexibility and to allow the drilling of additional gas wells without spacing and target considerations for maximization of gas recovery from these low producibility pools.

Sincerely,				: :	GEP PRE	oval Letters to Industry , SWD, CONCURRENT PROD, SSURE MAINTENANCE, ERFLOOD, ETC.
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		•	.*			Resource Revenue
Craig Gibson, P. Eng.						S. Chicorelli
Manager	•			•		R. Stefik
Reservoir Engineering and Geology			•	Α	-	G. Farr
zione in zingmeening und Geology				•		P. Attariwala
		•		4		D. Krezanoski

ENGINEERING AND GEOLOGY BRANCH

APPROVAL 03-06-002

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 Impact Energy Inc. (Impact) for producing the Laprise Creek Baldonnel/Upper Charlie Lake "D" pool gas without well spacing and target 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 Impact for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Impact to the Commission dated December 16, 2002.

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

1. The area of the scheme shall consist of:

94-G-1: Block I – unit 91

94-G-8: Block A – units 1, 11-13, 21-23, 31-33, 41-43, 52, 53, 62 and 63

94-H-4: Block L – unit 100

94-H-5: Block D – units 10, 20, 30, 40 and 50.

- 2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 m to the sides of the approved scheme area.
- 3. The gas wells within the scheme area may be produced without individual well allowable restrictions.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

Derek Doyle

Commissioner

Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this > o day of January 2003.

APPROVAL 03-06-003

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 Impact Energy Inc. (Impact) for producing the Laprise Creek Halfway "C" pool gas without well spacing and target 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 Impact for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Impact to the Commission dated December 16, 2002.

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

1. The area of the scheme shall consist of:

94-G-1: Block I - unit 91

94-G-8: Block A – units 1, 11-13, 21-23, 31-33, 41-43, 52, 53, 62 and 63

94-H-4: Block L - unit 100

94-H-5: Block D – units 10, 20, 30, 40 and 50.

- 2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 m to the sides of the approved scheme area.
- 3. The gas wells within the scheme area may be produced without individual well allowable restrictions.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

Derek Doyle

Commissioner

Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 2003.