



OIL AND GAS COMMISSION

September 7, 2005

6490-2700-59240-06  
OGC - 05247

*Iteration Project (04)*

Jane MacTaggart  
VP Exploitation  
Iteration Energy Ltd.  
Suite 700, 700 - 2<sup>nd</sup> Street SW  
Calgary AB T2P 2W1

Dear Ms. McTaggart:

**RE: GOOD ENGINEERING PRACTICE APPROVAL  
OSBORN -GETHING "A" POOL**

The Commission has reviewed your application dated July 21, 2005, requesting Good Engineering Practice (GEP) scheme approval for producing gas from the subject pool.

Attached is Approval 05-06-039, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, for a portion of the Osborn - Gething "A" pool.

This approval is intended to allow the drilling and production of gas wells without spacing consideration for maximization of gas recovery. .

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

Sincerely,

**Approval Letters to Industry  
GEP, SWD, CONCURRENT PROD,  
PRESSURE MAINTENANCE,  
WATERFLOOD, ETC.**  
*Copy 9*

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- R. Slocomb
- D. Krezanoski

Richard Slocomb, P.Eng.  
A/ Director  
Resource Conservation Branch

RAS

Attachments

**RESOURCE CONSERVATION BRANCH**

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

APPROVAL 05-06-039

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

---

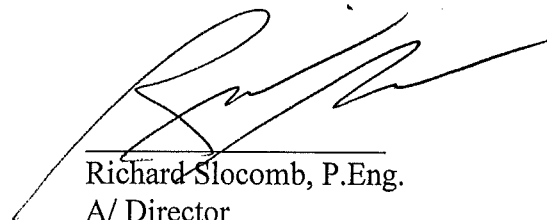
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Iteration Energy Ltd. (Iteration), for producing gas from a portion of the Osborn Gething "A" pool without spacing and target restrictions.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Iteration as such scheme is described in

*an Application from Iteration to the Commission dated July 21, 2005 and related submissions.*

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

1. The area of the project shall consist of Section 28-88-14 W6M.
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 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, P.Eng.  
A/ Director  
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 7<sup>th</sup> day of September 2005.