



OIL AND GAS COMMISSION

October 10, 2006

0320-4800-59240-06

Scot Collins, P.Eng.  
Senior Engineer  
Northpoint Energy Ltd.  
1600, 734 – 7th Avenue S.W.  
Calgary AB T2P 3P8

Dear Mr. Collins:

**RE: GOOD ENGINEERING PRACTICE APPROVAL  
ALTARES - HALFWAY "B" POOL**

Commission staff have reviewed your application, dated July 27, 2006, for Good Engineering Practice (GEP) for the subject pool.

The Approval 06-06-060 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. No objections were received following publication of notice of the application in the BC Gazette.

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

Should you have any questions, please contact Ron Stefik at 952-0310.

Sincerely,

A handwritten signature in black ink, appearing to read 'Doug McKenzie', is written over a light blue rectangular background.

Doug McKenzie  
Director  
Resource Conservation Branch

Attachment

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**RESOURCE CONSERVATION BRANCH**

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**APPROVAL 06-06-060**

**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 Northpoint Energy Ltd. (Northpoint) for producing the Altares field Halfway "B" gas pool 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 Northpoint for drilling wells without spacing and target restrictions, as such scheme is described in

*an Application from Northpoint to the Commission dated July 27, 2006 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:

94-A-5: Block D - units 20, 30, 40, 50, 60, 70, 80, 90

94-B-8: Block A - units 11-13, 21-23, 31-33, 41-43, 51-53, 61-63, 71-73, 81-83, 92-95

Block H – units 2-5, 12-15, 22-25, 32-35, 42-45, 52-55 and 62-65.

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.



for

Doug McKenzie  
Director  
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 10th day of October 2006.