

March 21, 2005

8190-2000-59240-06  
OGC - 05081

*Pengrowth Project (02)*

Scott Urquhart, EIT  
Reservoir Engineering  
Pengrowth Corporation  
Petro-Canada Centre - East Tower  
2900, 111 - 5<sup>th</sup> Avenue SW  
Calgary AB T2P 3Y6



SCOTT URQUHART

403 264-2915

RICHARD SLOCOMB

250 952-0366



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DATE: MARCH 22, 2005



Dear Mr. Urquhart:

**RE: GOOD ENGINEERING PRACTICE APPROVAL  
TUPPER CREEK - PADDY "I" POOL**

The Commission has reviewed your application dated February 8, 2005 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from a portion of the subject pool.

The well b-60-I/93-P-8 was drilled into the drilling spacing unit containing a-51-J/93-P-8. Although b-60-I was the second well drilled into the DSU, mapping derived from seismic amplitude data indicated that the proposed well would encounter a separate gas pool. However, a depleted initial pressure from b-60-I proved that it was in communication with the subject pool. These two wells have since been alternating production.

Analysis of individual well production and pressure histories, by Commission Staff, suggests that there is significant heterogeneity within the subject pool, thus making it a good candidate for down spacing. Therefore GEP Approval 05-06-018 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

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

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

Sincerely,

Craig Gibson, P. Eng.  
Director  
Resource Conservation Branch

Attachment  
RAS

**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

**RESOURCE CONSERVATION BRAN**

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

APPROVAL 05-06-018

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 Pengrowth Corporation (Pengrowth) for producing a portion of the Tupper Creek – Paddy “T” 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 Pengrowth for drilling wells without spacing and target restrictions, as such scheme is described in

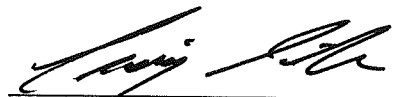
*an Application from Pengrowth to the Commission dated February 8, 2005.*

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

1. The area of the project shall consist of:

93-P-8      Block I – units 60, 70  
                  Block J – units 51 and 61.

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.



Craig Gibson  
Director  
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 15<sup>th</sup> day of March 2005.