



March 21, 2003

4700-8200-59240-06

OGC-03077

*Penn West Project (03)*

Mr. Tony Colabella  
Exploitation Engineer  
Penn West Petroleum Ltd.  
P.O. Box 1450, Station "M"  
Calgary AB T2P 2L6

Dear Mr. Colabella:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #5  
HELMET - JEAN MARIE "F"**

Attached is an amendment to the Good Engineering Practice (GEP) scheme approval for a portion of the subject field, as requested in your application of January 30, 2003.

The Approval 97-06-008 (Amendment #5) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

This amendment further expands the project area. However, it should be noted that the requested 4 sections of land consisting of units 78-80, 88-90, 98-100 of Block C, units 71, 81, 91 of Block D, unit 1 of Block E and units 8-10 of Block F/94-P-11 have not been added to the scheme area of Approval 97-06-008 (Amendment #5) at this time. Only contiguous land has been added to the GEP scheme approved area.

The approval is intended to allow operational flexibility for drilling wells without spacing and target considerations while maximizing gas recovery.

Sincerely,

Craig Gibson, P. Eng.  
Manager  
Reservoir Engineering and Geology

Attachment

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

*Copy 10*

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- C. Gibson
- D. Krezanoski

**ENGINEERING AND GEOLOGY BRANCH**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291  
Location: 6<sup>th</sup> Flr 1810 Blanshard St. Victoria BC

APPROVAL 97-06-008 (AMENDMENT # 5)

**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 Penn West Petroleum Ltd. (Penn West) for producing gas from the Helmet Jean Marie "F" 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 an amendment to the GEP scheme of Penn West for drilling wells without spacing and target restrictions, as such scheme is described in

*an Application from Penn West to the Commission dated January 30, 2003.*

The scheme approval of April 19, 2001 (Amendment #4) is hereby amended, subject to the conditions herein contained and in particular:

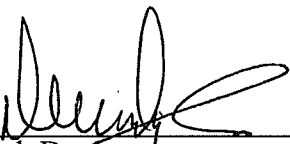
1. The area of the scheme shall consist of:

94-P-06/Block J – units 36–40, 46–50, 56–60, 66–70, 76–80, 86–90, 98–100  
Block K – units 31–35, 41–45, 51–55, 61–65, 71–79, 81–89, 91–99

94-P-10/Block D – units 60, 70, 80, 90, 100  
Block E – units 10

94-P-11/Block A – units 34–40, 44–100  
Block B – units 8–10, 18–20, 28–30, 31, 38–40, 41, 48–77, 81–87, 91–97  
Block C – units 1–9, 11–19, 21–29, 31, 41, 51, 61  
Block F – units 31, 41, 51–55, 61–65, 71–75, 81–85, 91  
Block G – units 1–7, 11–19, 21–29, 31–90, 96–100  
Block H – units 1–10, 14–20, 24–30, 34–40, 44–50, 54–60, 64–70, 78–80, 88–90  
Block J – units 6–10, 16–20, 26–30, 38, 39, 48, 49  
Block K – unit 1, 11, 21

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 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.

  
Derek Doyle  
Commissioner  
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 21<sup>st</sup> day of March, 2003.