

January 13, 2005

4470-8200-59240-06
8800-8200-59240-06
OGC - 05011

Ian Kerr
Reservoir Engineer
Petro-Canada Oil and Gas
PO Box 2844
Calgary AB T2P 3E3

Dear Mr. Kerr:

RE: GOOD ENGINEERING PRACTICE APPROVALS
GUNNELL CREEK - JEAN MARIE "A" POOL *Petro-Canada Project (03)*
YOYO - JEAN MARIE "A" POOL *Petro-Canada Project (02)*

Oil and Gas Commission staff have reviewed the application, dated November 10, 2004, for Good Engineering Practice (GEP) scheme approval for the Yoyo area Jean Marie formation.

The two non-contiguous areas of application have been mapped by the OGC as two separate fields/pools, the Gunnell Creek - Jean Marie "A" pool and the Yoyo - Jean Marie "A" pool.

The attached Approvals 05-06-001 and 05-06-002 are hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

These approvals will allow production from horizontal gas wells without regard for spacing and target regulations in order to maximize pool recovery. No objections were received following a publication of notice of the application in the BC Gazette.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachments

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

Copy 9

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	S. Chicorelli
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	R. Slocomb
<input type="checkbox"/>	D. Krezanoski

RESOURCE CONSERVATION BRANCH

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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 Petro-Canada Oil and Gas (Petro-Canada) for producing a portion of the Gunnell Creek – Jean Marie “A” pool without 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 Petro-Canada as such scheme is described in

an Application from Petro-Canada to the Commission dated November 10, 2004.

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

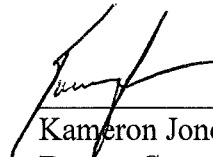
1. The area of the scheme shall consist of:

94-I-13: Block H - units 96-99

Block I - units 6-9, 16-20, 26-30, 36-39, 46-49

Block J - units 11 and 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 scheme 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.


Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 6th day of January 2005.

APPROVAL 05-06-002

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 Petro-Canada Oil and Gas (Petro-Canada) for producing a portion of the Yoyo – Jean Marie “A” pool without 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 Petro-Canada as such scheme is described in

an Application from Petro-Canada to the Commission dated November 10, 2004.

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

1. The area of the scheme shall consist of:

94-I-13: Block I - units 11-13, 21-23, 31-33, 41-43

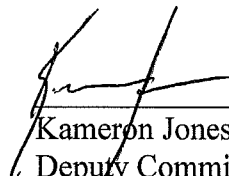
94-I-14: Block E - units 91-99

Block F - unit 100

Block K - unit 10

Block L - units 1-9, 12-17, 20, 22-27, 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 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.


Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 6th day of January 2005.