



November 8, 2004

5400-8200-59240-06
OGC - 04316

Petro-Canada Project #1 (02)

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

Dear Mr. Rehm:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
KOTCHO LAKE - JEAN MARIE "A" POOL**

Attached is a Good Engineering Practice (GEP) scheme approval for a portion of the subject pool, as requested in your application of August 31, 2004.

The Approval 04-06-064 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

This approval 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 Richard Slocomb at (250) 952-0366.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

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

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

Attachment

RESOURCE CONSERVATION BRANCH

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

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744
www.ogc.gov.bc.ca

APPROVAL 04-06-064

**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 Kotcho Lake – Jean Marie “A” pool without spacing and target restrictions.

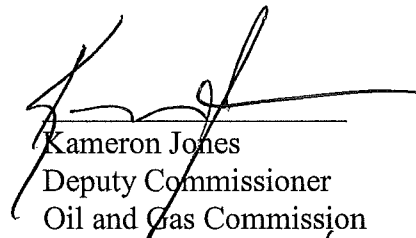
NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Petro-Canada as such scheme is described in

an Application from Petro-Canada to the Commission dated August 31, 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-14 Block K - units 36, 37, 46, 47, 56-59, 66-69, 76-79 and 86-89.
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 30th day of November 2004.