

November 7, 2001

6030-8600-59240-06 OGC - 01213

Robert Whyte Reservoir Engineer Fort St. John Asset Team Petro-Canada Oil and Gas P.O. Box 2844 Calgary, Alberta T2P 3E3

Dear Mr. Whyte:

Re: Application for Good Engineering Practice

Milo Pine Point "C" Pool

This is with respect to your letter of October 24, 2001 objecting to the Good Engineering Practice (GEP) application submitted by Progress Energy Ltd. (Progress) for the subject pool. Petro-Canada Oil and Gas (PCOG) objects on the grounds that it was not represented in the application

Progress submitted the GEP application on August 22, 2001. In it's letter of application, Progress indicated it was applying on behalf of itself and working interest partners Apache Canada Ltd., Tikal Resources Ltd., Vintage Energy (Canada) Ltd. and PCOG.

Notice of the application was published in the September 6 and 13, 2001 issues of the B.C. Gazette. The last day for any valid objection for this application was September 27, 2001. No objections were received by this deadline, therefore, the application was approved on October 3, 2001.

PCOG's objection to the captioned GEP would appear to arise from a disagreement between working interest owners. The Commission does not involve itself in disputes arising from business arrangements among working interest partners.

If you have any further questions, please contact Peter Attariwala at (250) 952-0311.

Sincerely,

Craig Gibson, P. Eng.

Manager

Reservoir Engineering and Geology

File Daily OSA

RS

Cc: Progress Energy Ltd. (Attn: Dave Christie)