



October 23, 2001

2985-2640/4995-59240-06
OGC - 01201

Carmen Lorincz
Sr. Exploitation Engineer
Pioneer Natural Resources Canada Inc.
2900, 255 - 5 Avenue S.W.
Calgary, AB T2P 3G6

Dear Mr. Lorincz:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1
CHINCHAGA RIVER FIELD, BLUESKY-GETHING-DETRITAL "A"
AND LOWER CHARLIE LAKE-MONTNEY "A" GAS POOLS**

Attached is a Good Engineering Practice (GEP) scheme approval amendment for the subject pools, as requested in your application of August 16, 2001.

The Approval 97-06-010 (Amendment #1) 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 for drilling wells without spacing and target considerations while maximizing gas recovery.

It should be noted that the scheme area includes some lands presently held under Drilling Licences. Approval amendment may be required, to reflect the lands Pioneer controls once lease selections have been made.

Yours truly,

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

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"/> | P. Attariwala |
| <input type="checkbox"/> | D. Krezanoski |

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APPROVAL 97-06-010 (AMENDMENT #1)

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION

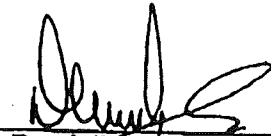
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Pioneer Natural Resources Canada Inc. (Pioneer) for producing the Chinchaga Bluesky-Gething-Detrital "A" and Lower Charlie Lake-Montney "A" pools without well spacing and target restrictions.

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 for drilling wells without spacing and target restrictions, as such scheme is described in

an Application to the Commission dated September 9, 1997 and August 16, 2001.

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

1. The area of the scheme shall consist of:
 - 94-H-1/Block I - units 91-95
 - 94-H-8/Block A - units 1-5, 11-17, 21-27, 31-100
 - 94-H-8/Block B - units 12, 13, 22, 23, 31-33, 41-43, 51, 61, 71, 81, 91-95
 - 94-H-8/Block F - units 51, 61, 71, 81, 91-95
 - 94-H-8/Block G - units 1-5, 11-15, 21-25, 31-37, 41-47, 51-100
 - 94-H-8/Block H - units 1-100
 - 94-H-8/Block I - units 1-53, 56-63, 66-70
 - 94-H-8/Block J - units 1-53, 56-63, 66-70
 - 94-H-8/Block K - units 1-5, 11-15, 21-25, 31-33, 41-43, 51-53, 61-63.
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 ^{Four St. John} Victoria, in the Province of British Columbia, this 23rd day of October, 2001.