



November 15, 2005

3430-2400-59240-06
OGC – 05314

Charles Lefebvre, P.Eng.
Manager Engineering & Exploitation
Pioneer Natural Resources Canada Inc.
2900, 255 – 5th Avenue S.W.
Calgary AB T2P 3G6

Dear Mr. Lefebvre:

**RE: GOOD ENGINEERING PRACTICE APPROVALS
DRAKE – NOTIKEWIN “A” POOL**

The Commission has reviewed your application dated September 19, 2005, requesting Good Engineering Project (GEP) scheme approval for producing Notikewin formation gas from several areas within the Chinchaga River/Drake fields. All areas of application have been mapped by the OGC within the Drake – Notikewin “A” gas pool.

The largest area of application includes a GEP approval granted February 25, 2005 for the Chinchaga River – Notikewin “A” pool, for spacing areas adjoining the British Columbia – Alberta border.

(08) Attached is Approval 05-06-015, Amendment #1, (Pioneer Project #1) granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, expanding the area and re-designating as the Drake – Notikewin “A” pool. The requested gas spacing areas within Blocks F, I, J and K/94-H-8 have been excluded from the current approval, as unprospective for the Notikewin based on present geologic interpretation.

Also attached is Approval 05-06-047⁽⁰⁹⁾ (Pioneer Project #2), Approval 05-06-048⁽¹⁰⁾ (Pioneer Project #3), Approval 05-06-049⁽¹¹⁾ (Pioneer Project #4) and Approval 05-06-050⁽¹²⁾ (Pioneer Project #5), for the other, non-contiguous, areas of application.

These approvals are intended to allow operational flexibility to produce gas wells at increased density without spacing considerations for maximization of gas recovery.

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

Sincerely,

Richard Slocomb, P.Eng.
A/Director
Resource Conservation Branch

Attachments

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

Copy 10

| | |
|-------------------------------------|----------------------|
| <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"/> | J. Pickell |
| <input type="checkbox"/> | D. Krezanoski |

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
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

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

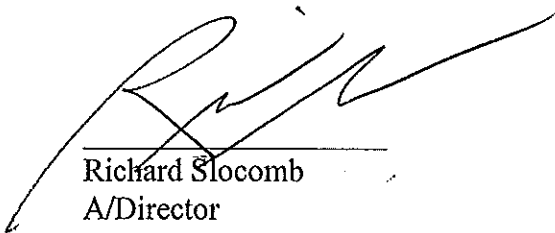
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Pioneer Natural Resources Canada Inc. (Pioneer) for producing Drake - Notikewin "A" gas wells without spacing and target restrictions.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Pioneer as such scheme is described in

an Application from Pioneer to the Commission dated December 29, 2004 and September 19, 2005 related submissions.

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

1. The area of the project 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.
 - Block B – units 12, 13, 22, 23, 31-33, 41-43, 51, 61, 71, 81, 91-95
 - Block G – units 1-5, 11-15, 21-25, 31-37, 41-47, 51-59, 61-69, 71-77, 81-87
 - Block H – units 1-90.
2. Gas wells may be produced without individual well daily gas allowables.
3. 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 project area.
4. This approval may be modified or rescinded at a later date if deemed appropriate.


Richard Slocomb
A/Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15th day of November 2005.

**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 Drake - Notikewin "A" gas wells without spacing and target restrictions.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Pioneer as such scheme is described in

an Application from Pioneer to the Commission dated September 19, 2005 and related submissions.

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

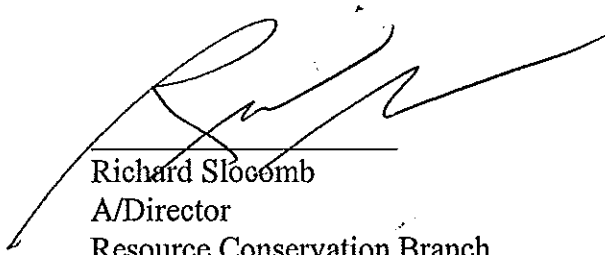
1. The area of the project shall consist of:

94-A-16: Block J - units 78-80, 88-90, 98-100
Block K - units 71-73, 81-83, 91-93
94-H-1: Block B - units 8-10
Block C - units 1-3.

2. Gas wells may be produced without individual well daily gas allowables.

3. 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 project area.

4. This approval may be modified or rescinded at a later date if deemed appropriate.


Richard Slocomb
A/Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this ^{5th} day of November 2005.

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PETROLEUM AND NATURAL GAS ACT
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OIL AND GAS COMMISSION**

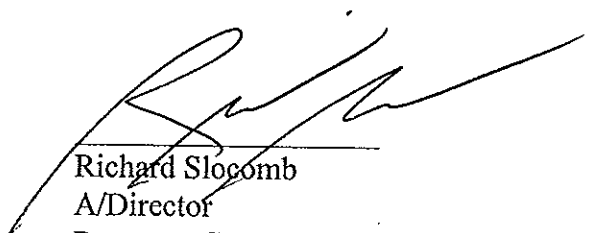
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an Application from Pioneer to the Commission dated September 19, 2005 and related submissions.

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

1. The area of the project shall consist of:
94-H-1: Block C – units 34, 35, 44, 45, 54, 55, 64, 65, 72, 73, 82, 83.
2. Gas wells may be produced without individual well daily gas allowables.
3. 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 project area.
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Richard Slocomb
A/Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15th day of November 2005.

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OIL AND GAS COMMISSION**

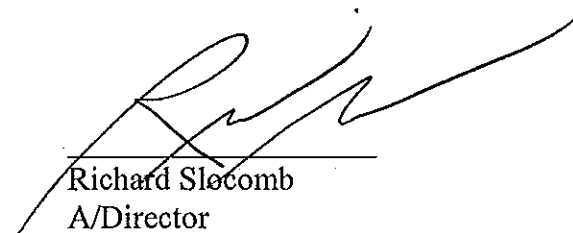
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an Application from Pioneer to the Commission dated September 19, 2005 and related submissions.

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

1. The area of the project shall consist of:
94-H-1: Block J – units 38, 39, 48, 49, 58, 59, 68, 69.
2. Gas wells may be produced without individual well daily gas allowables.
3. 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 project area.
4. This approval may be modified or rescinded at a later date if deemed appropriate.


Richard Sløcomb
A/Director
Resource Conservation Branch
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15th day of November 2005.

APPROVAL 05-06-050 (12)

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OIL AND GAS COMMISSION**

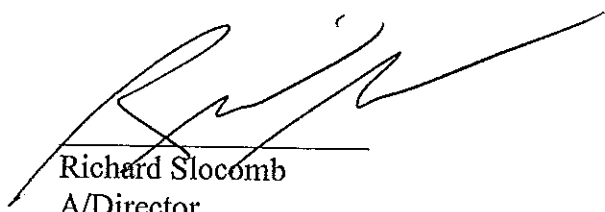
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an Application from Pioneer to the Commission dated September 19, 2005 and related submissions.

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

1. The area of the project shall consist of:
94-H-1: Block J – units 96, 97
94-H-8: Block B – units 6, 7.
2. Gas wells may be produced without individual well daily gas allowables.
3. 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 project area.
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Richard Slocomb
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