

November 25, 2004

8260-4100-59240-06 OGC - 04331

Pioneer Project (02)

Jerry W. Worobeck, P.Eng. Senior Exploitation Engineer Pioneer Natural Resources Canada Inc.  $2900, 255 - 5^{th}$  Avenue S.W. Calgary AB T2P 3G6

Dear Mr. Worobeck:

RE: GOOD ENGINEERING PRACTICE APPROVAL WARGEN – BALDONNEL "B" POOL

The Commission has reviewed your application dated October 20, 2004, requesting Good Engineering Project (GEP) scheme approval for producing gas from a portion of the Wargen -Baldonnel "B" non-associated gas pool.

Attached is Approval 04-06-070, granted under Part 8, Division 6, Section 101 of the British Columbia Drilling and Production Regulation.

This approval is 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,

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

Copy 9 Wellfile (originals) 59240 Daily Resource Revenue S. Chicorelli

R. Stefik

G. Farr R. Slocomb

D. Krezanoski

Craig Gibson, P. Eng.

Director

Resource Conservation Branch

Attachment

## **APPROVAL 04-06-070**

## 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 Wargen Baldonnel "B" 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 October 20, 2004.

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

- The area of the project shall consist of:
   94-H-6 Block B units 18, 19, 28 and 29.
- 2. Gas production is limited to a daily gas allowable of 60.0 e<sup>3</sup>m<sup>3</sup>/d.
- 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 This approval may be modified or rescinded at a later date if deemed appropriate.

Kameron Jones

Deputy Commissioner Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this I day of November 2004.