



OIL AND GAS COMMISSION

January 31, 2003

7000-4800-59240-06  
OGC - 03031

Jim Stannard, P.Eng.  
Production/Exploitation Engineer  
Progress Energy Ltd.  
1400, 440 - 2<sup>nd</sup> Avenue S.W.  
CALGARY, AB T2P 5E9

*Dekalb Project (03)*

Dear Mr. Stannard:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1  
PEEJAY WEST HALFWAY "D" POOL**

The Commission recently conducted a review of the Peejay West Halfway "D" pool. Analysis of production performance and well test data resulted in several revisions to net pay parameters, used in the calculation of well daily oil allowables.

On May 3, 1993, an approval for Good Engineering Practice (GEP) was issued for a portion of the subject pool, encompassing wells d-22-G and d-23-G/94-A-15. Attached is an amendment to that approval (# 93-06-002), granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. The GEP daily oil allowable is increased from 22.6 m<sup>3</sup> to a value of 34.5 m<sup>3</sup>.

This pool appears to be a good candidate for a secondary production scheme; therefore, the Commission encourages the stakeholders to work towards an agreement for pressure maintenance of this pool.

Sincerely,

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

Attachment

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
- P. Attariwala
- D. Krezanoski

**ENGINEERING AND GEOLOGY BRANCH**

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

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

**APPROVAL 93-06-002 (AMENDMENT #1)**

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

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IN THE MATTER of a Good Engineering Practice (GEP) scheme of Progress Energy Ltd. (Progress) for producing a portion of the Peejay West Halfway "D" oil pool with a project oil allowable and 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 amends the GEP scheme of Progress for producing wells with a project oil allowable, as such scheme is described in

*an Application to the Commission dated March 12, 1993.*

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

1. The area of the scheme shall consist of units 22 and 23 of Block G/94-A-15.
2. The project daily oil allowable, being the sum of the individual well allowables, is 34.5 m<sup>3</sup>.
3. The requirements of Section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved scheme area.
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 Fort St. John, in the Province of British Columbia, this 21 day of January 2003.