



February 12, 2004

6200-4100-59240-06
OGC - 04057

Gordon McIntosh, P.Eng.
Senior Exploitation Engineer
Samson Canada Ltd.
2400, 300 - 5th Avenue S.W.
Calgary AB T2P 3C4

Samson Project (02)

Dear Mr. McIntosh:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
- MONTNEY - BALDONNEL "D" POOL**

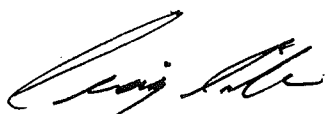
Attached is a Good Engineering Practice (GEP) scheme approval, as requested in your application dated November 10, 2003, received December 9, 2003.

Based on Commission geologic mapping, the former Oak Baldonnel "G" single well pool (10-30-86-18 W6M; WA 14270) has been re-mapped and amalgamated into the Montney Baldonnel "D" non-associated gas pool. This re-mapping has also resolved the issue of wells 11-31 and A16-30 (bottom-hole 1-31-86-18 W6M) producing from the same gas spacing area, however now interpreted as producing from separate Baldonnel pools.

The Approval 04-06-015 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 and to allow in-fill drilling and production of gas wells without spacing and target considerations for maximization of gas recovery.

Sincerely,


Craig Gibson, P. Eng.
Director
Resource Conservation Branch

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

RESOURCE CONSERVATION BRANCH

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

Location: 6th Fir 1810 Blanshard St, Victoria BC

APPROVAL 04-06-015

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 Samson Canada Ltd. (Samson) for producing the Montney Baldonnel "D" gas pool without well spacing, target and production restrictions.

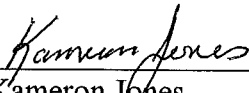
NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Samson for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Samson to the Commission dated November 10, 2003.

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

1. The area of the project shall consist of:

Twp 86 Rge 18 W6M - sect 30 and 31
Twp 86 Rge 19 W6M - sect 25.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project 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.



Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 11th day of February 2004.