



OIL AND GAS COMMISSION

March 12, 2002

3400-5000-59240-06
OGC - 02051

James Lord, E.I.T.
Exploitation Engineer
Star Oil & Gas Ltd.
Suite 3500 West Tower
150 - Sixth Avenue SW
Calgary AB T2P 3Y7

Star Project (02)

Dear Mr. Lord:

RE: GOOD ENGINEERING PRACTICE APPROVAL
Dawson Creek Montney "A" Pool

The Commission has reviewed your application dated February 11, 2002 requesting a Good Engineering Project (GEP) scheme approval for producing gas from the Montney formation of the Dawson Creek area.

Please note that the Commission has designated the gas pool encountered in the requested area to be Montney "A" of the Dawson Creek field.

Attached is a GEP scheme approval for the subject pool. The Approval 02-06-001 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 the drilling of additional gas wells without spacing and target considerations for maximization of gas recovery.

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 GE

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N

Location: 6th Flr 1810 Blanshard

APPROVAL 02-06-001

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 Star Oil & Gas Ltd. (Star) for producing the Dawson Creek Montney "A" pool gas 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 the GEP scheme of Star for drilling wells without spacing and target restrictions, as such scheme is described in

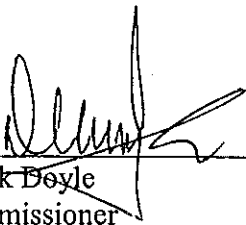
an Application from Star to the Commission dated February 11, 2002.

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

1. The area of the scheme shall consist of:

Township 79, Range 14: Sections 2-4, 8-10, 15-17, 19-22, 28-33 and
Township 79, Range 15: Sections 23-27 and 34-36.

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 scheme area.
3. The gas wells within the scheme 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 Boyle
Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 12th day of March 2002.