



BRITISH
COLUMBIA

May 28, 1998

File: 4470-8200-59240-06
980457

Summit Project (02)

Mr. Pat Morris
Senior Exploitation Technologist
Summit Resources Limited
#2400, Sun Life Plaza
144-4th Avenue S.W.
Calgary, AB T2P 3N4

Dear Mr. Morris:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
GUNNELL CREEK - JEAN MARIE**

Attached is a Good Engineering Practice (GEP) scheme approval for producing gas from the Gunnell Creek Jean Marie, as requested in your application of April 13, 1998.

The Approval 98-06-003 is hereby granted under Part 8, Division 6, section 104 of the British Columbia *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility for drilling wells without spacing and target considerations while maximizing gas recovery.

Yours sincerely,

Bou van Oort, P. Eng.
Director
Engineering and Operations Branch

PSA/mef

Attachment

Copies for Approval Letter to Industry (11)
RE: GEP, Salt Water Disposals, etc.

- | | |
|-------------------------------------|-----------------------|
| <input type="checkbox"/> | G. Miltenberger |
| <input type="checkbox"/> | Data Management |
| <input checked="" type="checkbox"/> | R. Stefik |
| <input type="checkbox"/> | D. Richardson |
| <input type="checkbox"/> | P. Attariwala |
| <input type="checkbox"/> | G. Farr |
| <input type="checkbox"/> | S. Chicorelli |
| <input type="checkbox"/> | Resource Revenue |
| <input type="checkbox"/> | 59240 |
| <input type="checkbox"/> | Wellfiles (originals) |
| <input type="checkbox"/> | Daily |

APPROVAL 98-06-003

**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
MINISTRY OF ENERGY AND MINES
ENERGY AND MINERALS DIVISION**

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Summit Resources Limited (Summit) for producing the Gunnell Creek area Jean Marie gas without well spacing and target restrictions.

NOW, THEREFORE, the Division Head, pursuant to Part 8, Division 6, section 104 of the *Drilling and Production Regulation*, hereby approves the GEP project of Summit for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Summit to the Division dated April 13, 1998 and related submission.

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

1. The area of the scheme shall consist of:

94-I-13: Block J- units 60, 70, 78-80, 88-90, 94, 95, 98-100

Block K- units 12-15, 22-25, 32-35, 42-45, 51-55, 61-65, 71-75, 81-85 and 91

94-P-4: Block B- units 4, 5, 8-10, 14-17, 20, 24-27, 30, 36-40, 46-50, 60 and 70

Block C- units 1, 11, 21, 31, 41, 51 and 61.

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 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.



B. van Oort, on behalf of
the Division Head
Energy and Minerals Division

DATED AT the City of Victoria, in the Province of British Columbia, this **28** day of May, 1998.