



OIL AND GAS COMMISSION

June 3, 2005

1880-4100-59240-06  
OGC - 05174

Gord Oliver, P.Eng.  
Manager Exploitation  
Terra Energy Corp.  
700, 505 - 3<sup>rd</sup> Street SW  
CALGARY, AB T2P 3E6

Terra Energy Project (02)

Dear Mr. Oliver:

**RE: GOOD ENGINEERING PRACTICE APPROVAL**  
**BOUDREAU - BALDONNEL "A" POOL**

The Commission has reviewed your application dated May 2, 2005 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from the Boudreau Baldonnel formation.

The OGC maps the area of application within the Boudreau - Baldonnel "A" gas pool.

Attached is a GEP scheme approval for a portion of the subject pool, as requested. The Approval 05-06-027 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval is intended to allow operational flexibility and to allow the production of additional gas wells for maximization of gas recovery.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

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
- R. Slocomb
- D. Krezanoski

**RESOURCE CONSERVATION BRANCH**

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

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APPROVAL 05-06-027

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

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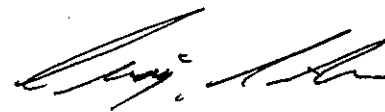
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Terra Energy Corp. (Terra) for producing a portion of the Boudreau – Baldonnel “A” pool without spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Terra as such scheme is described in

*an Application from Terra to the Commission dated May 2, 2005.*

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

1. The area of the scheme shall consist of ;  
Twp 84 Rge 21 W6M -- Section 13.
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.



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Craig Gibson  
Director  
Resource Conservation Branch  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 3<sup>rd</sup> day of June 2005.