

Oil and Gas Commission

March 9, 1999

File: 4300-4100-59240-06
OGC 990214

Mr. Chris Bailey
Junior Engineer
Union Pacific Resources Inc.
P.O. Box 2595 Stn M
Fifth Avenue Place 425 1st Street SW
Calgary AB T2P 4V4

UPRE Project (02)

Dear Mr. Bailey:

RE: GOOD ENGINEERING PRACTICE APPROVAL
GRAHAM - BALDONNEL "E" POOL

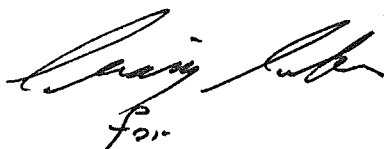
The Commission has reviewed your application dated February 11, 1999 requesting Good Engineering Practice (GEP) for the Old Graham Baldonnel pool.

The Commission has designated the pool to be Graham Baldonnel "E" gas pool.

The GEP Approval 99-06-003 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval will allow the drilling of gas wells without regard for spacing and target regulations in order to optimize pool drainage and recovery.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310.

Sincerely,



B. van Oort, P. Eng.
Director
Engineering and Geology Branch

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr

Email

<input type="checkbox"/>	D. Krezanowski
<input type="checkbox"/>	S. Chicorelli

APPROVAL 99-06-003

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 Union Pacific Resources Inc. (UPRI) for producing Graham Baldonnel "E" gas wells without spacing and target restrictions.

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

an Application from UPRI to the Commission dated February 11, 1999.

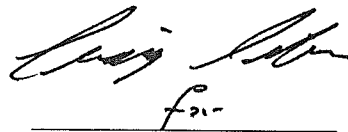
This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of

94-B-9: Block C - units 20, 30, 40 and 50

Block D - units 11 - 13, 21 - 23, 31 - 35, 41 - 45, 52 - 55, and 62 - 65.

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 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.



Bou van Oort
Director
Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 9th day of March 1999.