

February 26, 2004

6140-4800-59240-06 OGC - 04087

Sara Whelen, C.E.T.

NE BC Exploitation Department
Devon Canada Corporation
1600, 324 – 8th Avenue S.W.
Calgary AB T2P 2Z5

Devon Project #2 (02) Devon Project #2 (03)

Dear Ms. Whelen:

RE: GOOD ENGINEERING PRACTICE APPROVALS MONIAS – HALFWAY FORMATION

The Commission has reviewed your application dated December 15, 2003, requesting Good Engineering Project (GEP) scheme approval for producing gas from the Halfway pools in the Monias field. As the application includes non-contiguous land blocks, the two areas are treated as separate approval requests.

Attached are Approvals 04-06-018 (Devon Project #1) and 04-06-019 (Devon Project #2), granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. For regulatory purposes, the various Halfway sands encountered in the areas of application are deemed a single Halfway pool.

These approvals are intended to allow operational flexibility and to allow the drilling and production of gas wells without spacing and target considerations for maximization of gas recovery.

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

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachments

PRESSURE MAINTENAN WATERFLOOD, ETC.	CE,
Copy 9	
Wellfile (originals)	
59240	
Daily	
Resource Revenue	
S. Chicorelli	
R. Stefik	4
G. Farr	
G. Fall	
P. Attariwala	
D. Krezanoski	
	3

Approval Letters to Industry

RESOURCE CONSERVATION BRANCH

APPROVAL 04-06-018

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 Devon Canada Corporation (Devon) for producing Monias Halfway formation 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 Devon as such scheme is described in

an Application from Devon to the Commission dated December 15, 2003.

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

1. The area of the project shall consist of:

Twp 82 Rge 20 W6M - sections 19, 29, 30, 32 Twp 82 Rge 21 W6M - sections 22, 23 and 24.

- 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.

Kameron Jones Deputy Commissioner

Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this / day of February 2004.

APPROVAL 04-06-019

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 Devon Canada Corporation (Devon) for producing Monias Halfway formation 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 Devon as such scheme is described in

an Application from Devon to the Commission dated December 15, 2003.

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

1. The area of the project shall consist of:

Twp 82 Rge 22 W6M - section 35.

- 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.

Deputy Commissioner Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this /4 day of February 2004.