

January 13, 2006

8115-4900-59240-06 OGC – 06010

Roman Pachovsky, P.Eng. Staff Engineer Duvernay Oil Corp. 1500, 202 -6th Avenue SW, Calgary AB T2P 2R9

Dear Mr. Pachovsky:

RE: GOOD ENGINEERING PRACTICE APPROVAL SUNDOWN - DOIG "A" POOL

The Commission has reviewed your application, dated November 1, 2005, for Good Engineering Practice (GEP) scheme approval for a portion of the subject pool.

The Approval 06-06-006 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia Drilling and Production Regulation.

This approval will allow the drilling of higher density, without regard for spacing and target regulations in order to optimize pool drainage and recovery. No objections were received following a publication of notice of the application in the BC Gazette.

Should you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely, Richard Slocomb, P. Eng. A/ Director Resource Conservation Branch Approval Letters to Industry GEP, SWD, Concurrent Prod, Pressure Attachment Maintenance, Waterflood, Etc. Copy 12 Daily E. O'Neill Wellfile J. Merson **RAS** 59240 D. Krezanoski R. Slocomb L. Miller R. Stefik Resource Rev. G. Farr S. Chicorelli

APPROVAL 06-06-006

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 Duvernay Oil Corp. (Duvernay) for producing gas wells from the Sundown – Doig "A" pool 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 Duvernay for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Duvernay to the Commission dated November 1, 2005.

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

1. The area of the scheme shall consist of:

93-P-10 Block B – units 14-17, 24-27, 34-37, and 44-47

- 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 This approval may be modified or rescinded at a later date if deemed appropriate.

Richard Slocomb, P.Eng.

A/ Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this /3 the day of January 2006.