

July 7, 2003

2000-4535-59240-06 OGC - 03169

Sarah Williams
Project Engineer
Fekete Associates Inc.
2000, 540 – 5th Avenue S. W.
Calgary AB T2P 0M2

NCE Project (06)

Dear Ms. Williams:

RE: GOOD ENGINEERING PRACTICE APPROVAL BOUNDARY LAKE – BOUNDARY LAKE "A" POOL

Attached is a Good Engineering Practice (GEP) scheme approval for a portion of the subject pool, as requested in your application of May 12, 2003 made on behalf of NCE Petrofund Corp.

The Approval 03-06-022 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. This approval will allow the production of oil wells with a project oil allowable. No objections were received following a publication of notice of the application in the BC Gazette.

Please note that under Section 73 (8) of the Regulation, a daily oil allowable limit may be imposed on the lease line wells.

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

Sincerely,

Craig Gibson, P. Eng.

Manager

Reservoir Engineering and Geology

Attachment

Cc: Mike Cooper, P. Eng. (NCE Petrofund Corp.)

GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE,	
WATERFLOOD, ETC.	
<u>Copy</u> 9	
	Wellfile (originals)
	59240
	Daily
	Resource Revenue
	S. Chicorelli
	R. Stefik
	G. Fare
	P. Attariwala
	D Krazanoski

Approval Letters to Industry

APPROVAL 03-06-022

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 NCE Petrofund Corp. (NCE) for producing a portion of the Boundary Lake Boundary Lake "A" oil pool with a project oil allowable and 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 NCE as such scheme is described in

an Application to the Commission from NCE dated May 12, 2003.

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

- 1. The area of the scheme shall consist of NE/4 sec 20, fraction NW sec 21, fraction W sec 28 and E/2 sec 29 of 85-13 W6M.
- 2. The project daily oil allowable, being the sum of the individual well allowables, is 63.9 m³.
- 3. All gas production will be conserved.
- 4. The requirements of Section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved scheme area.
- 5. This approval may be modified or rescinded at a later date if deemed appropriate.

Derek Doyle

Commissioner

Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this > day of July 2003.