



January 6, 2000

File: 4700-8200-59240-06
OGC-000002

Mr. Tony Colabella
Exploitation Engineer
Penn West Petroleum Ltd.
P.O. Box 1450, Station "M"
Calgary AB T2P 2L6

Penn West Project (03)

Dear Mr. Colabella:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #2
HELMET - JEAN MARIE "F"**

Attached is an amendment to the Good Engineering Practice (GEP) scheme approval for a portion of the subject field, as requested in your application of November 29, 1999.

The Approval 97-06-008 (Amendment #2) is hereby granted under Part 8, Division 6, section 101 of the British Columbia *Drilling and Production Regulation*.

This amendment further expands the project area. The approval is intended to allow operational flexibility for drilling wells without spacing and target considerations while maximizing gas recovery.

Sincerely,

Bou 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 type="checkbox"/> | R. Stefik |
| <input type="checkbox"/> | G. Farr |
| <input type="checkbox"/> | P. Attariwala |
| <input type="checkbox"/> | C. Gibson |
| <input type="checkbox"/> | D. Krezanoski |
| <input type="checkbox"/> | S. Chicorelli |

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APPROVAL 97-06-008 (AMENDMENT #2)

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 Penn West Petroleum Ltd. (Penn West) for producing gas from the Helmet Jean Marie "F" 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 an amendment to the GEP project of Penn West for drilling wells without spacing and target restrictions. as such scheme is described in

an Application from Penn West dated September 4, 1997, October 6, 1998, November 29, 1999 and related submission.

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

1. The area of the scheme shall consist of:

94-P-10/Block D - units 60, 70, 80, 90, 100

94-P-10/Block E - units 10, 20, 30

94-P-11/Block A - units 34 - 40, 44 - 100

94-P-11/Block B - units 31, 41, 51 - 57, 61 - 67, 71 - 77, 81 - 87, 91 - 97

94-P-11/Block F - units 31, 41, 51 - 55, 61 - 65, 71 - 75, 81 - 85, 91

94-P-11/Block G - units 1 - 7, 11 - 19, 21 - 29, 31 - 90, 96 - 100

94-P-11/Block H - units 1 - 30, 34 - 40, 44 - 50, 54 - 60, 64 - 70, 78 - 80, 88 - 90

94-P-11/Block J - units 6 - 10

94-P-11/Block K - unit 1

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 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.



B. van Oort
Director
Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 7th day of January, 2000.