



OIL AND GAS COMMISSION

February 21, 2003

8000-4580-59240-06
OGC -03045

Jim Stannard, P.Eng.
Exploitation Engineer
Progress Energy Ltd.
Suite 1400, 440 - 2 Avenue SW
Calgary AB T2P 5E9

Progress Project (02)

(rescinded Nov. 3, 2003)

Dear Mr. Stannard:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
STODDART - NORTH PINE "G" POOL**

Attached is a Good Engineering Project (GEP) scheme approval for the subject pool, as requested in your application of January 8, 2003.

The Approval 03-06-008 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility for producing lower GOR oil wells and to allow the drilling of additional oil wells without spacing and target considerations for maximization of oil recovery. No objections were received following a publication of notice of the application in the BC Gazette.

Please note that the approval may be amended if another operator successfully completes an oil well outside the project area in the subject pool.

This pool appears to be a good candidate for a secondary scheme such as waterflood pressure maintenance. Therefore, the Commission strongly encourages Progress to evaluate the feasibility of a secondary production scheme.

Sincerely,

Craig Gibson, P. Eng.
Manager
Reservoir Engineering and Geology

Attachment

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

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- D. Krezanoski

ENGINEERING AND GEOLOGY BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 953-8261

Location: 6th Flr 1810 Blanshard St, Victoria, BC

APPROVAL 03-06-008

**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 Progress Energy Ltd. (Progress) for producing the Stoddart North Pine "G" oil pool under a project allowable.

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 Progress as such scheme is described in

an Application from Progress to the Commission dated January 8, 2003.

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

1. The area of the project shall consist of N/2 sec 16, sec 21 and SW/4 sec 22-86-19 W6M.
2. The project oil allowable, being the sum of individual well allowables, is 70.0 m³/d.
3. All produced gas must be conserved.
4. An oil well may be drilled anywhere within the project area provided that it is not nearer than 100 m to the sides of the project 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 21st day of February 2003.