

September 24, 2003

Christine Wennekers
Exploitation Engineer
Devon Canada Corporation
1600, 324 – 8th Avenue S.W.
Calgary AB T2P 2Z5

0380-4582-59240-07 OGC - 03260

Devon Project (02)

Dear Ms. Wennekers:

RE: CONCURRENT PRODUCTION SCHEME APPLICATION BEAR FLAT – BEAR FLAT "B" OIL POOL

The Commission has reviewed your application dated July 17 and September 23, 2003 requesting Concurrent Production scheme approval for the Bear Flat – Bear Flat "B" oil pool.

We would like to thank Devon Canada staff for presenting a technical update in Victoria on September 22, 2003 in support of this application. As discussed during our meeting, pool mapping and performance indicates that the Bear Flat "B" pool is not fully delineated at this time. However, in order to collect additional performance data and to support gas conservation from the pool, the Commission feels that Concurrent Production approval is justified.

Therefore, Approval 03-07-008 is hereby granted under section 97 of the <u>Petroleum and Natural Gas Act</u>. This approval is not effective until the date that gas is conserved, with OGC notified in writing.

(Gas conserved con connected Feb. 17, 2004)

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

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

Sincerely, Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC. Copy 10 Wellfile (originals)
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Wellfile (originals)
Craig Gibson, P. Eng.
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Director Resource Revenue
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PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-1
Location: 6 th FIr 1810 Blanshard St, Victoria L

APPROVAL 03-07-008

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT OIL AND GAS COMMISSION

IN THE MATTER of a Concurrent Production scheme of Devon Canada Corporation (Devon) for producing the Bear Flat "B" pool with a project gas and oil allowable.

NOW, THEREFORE, the Commission, pursuant to Section 97 of the <u>Petroleum and Natural Gas Act</u>, hereby approves the Concurrent Production scheme of Devon for oil and gas production with project allowables, as such scheme is described in

an Application from Devon to the Commission dated July 17 and September 23, 2003.

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

- 1. The area of the scheme shall consist of sec 29-84-20 W6M.
- 2. The project daily oil allowable is 20 m³.
- 3. Gas production will be limited to 10.0 10³ m³/d.
- 4. All produced gas must be conserved.
- 5. 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 area.
- 6. This approval may be modified or rescinded at a later date if deemed appropriate.

Craig Gibson

Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of September 2003.