



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

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Victoria
British Columbia
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6th Floor, 1810 Blanshard Street, Victoria, British Columbia V8V 1X4

September 1, 1995

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Mr. O.A. Jansen
Sr. Principal Geol.
Phillips Petroleum Resources, Ltd.
Suite 2800, Sun Life Plaza
144 Fourth Avenue S.W.
Calgary, Alberta
T2P 3N4

Dear Mr. Jansen:

**RE: APPLICATION FOR APPROVAL OF EXPERIMENTAL STATUS
FOR A COALBED EXPLORATION AND DEVELOPMENT PROJECT
FLATBED AREA N.E. BRITISH COLUMBIA**

This is with reference to your application dated July 11, 1995, requesting approval of an experimental scheme for a coalbed methane exploration project in the Flatbed area.

Attached is Approval # 95-15-001 for the application granted under section 116 of the *Petroleum and Natural Gas Act*.

Please note that all geological, technical, test and production information for the proposed four wells shall be handled in accordance with section 60 of the B.C. Drilling and Production Regulation. However, it should be noted that an application will be required to modify condition 2 of the Approval to include Phase II wells into the scheme area.

Yours sincerely,

Bou van Oort, P.Eng.
Acting Director
Engineering and Operations Branch

Attachment

PSA/bd

Approval Letters to Industry

bcc: D.L. Johnson
Resource Revenue
Data Management
P.S. Attariwala
R. Stefik
G. Farr
D. Richardson
S. Chicorelli
Wellfile
Daily
59070-04

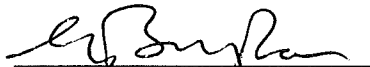
APPROVAL 95-15-001

PETROLEUM AND NATURAL GAS ACT (the "Act")
THE PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
ENERGY RESOURCES DIVISION

IN THE MATTER of the experimental scheme of Phillips Petroleum Resources, Ltd. (the "Operator"), for a coalbed methane exploration project in the Lower Cretaceous Gates and Gething Formations in the wells Phillips Flatbed d-64-B/93-I-15, Phillips Flatbed d-93-B/93-I-15, Phillips Flatbed a-A21-F/93-I-15 and Phillips Flatbed d-17-G/93-I-15 in the Flatbed area.

The Minister of Energy, Mines and Petroleum Resources, pursuant to section 116 of the Act, hereby orders as follows:

1. The experimental scheme for a coalbed methane exploration project in the Flatbed area of northeast British Columbia in the Lower Cretaceous Gates and Gething Formations as described in the application from the Operator to the ministry dated July 11, 1995, is hereby approved, subject to terms and conditions herein contained.
2. The experimental scheme consists of wells d-64-B/93-I-15 (WA 9437), d-93-B/93-I-15 (WA 9438), a-A21-F/93-I-15 (WA 9439) and d-17-G/93-I-15 (WA 9440).
3. The area of the scheme shall be the normal gas spacing areas associated with the wells listed under condition 2.
4. All geological, technical, test and production information pertaining to wells listed under condition 2 shall be handled in accordance with section 60 of the B. C. Drilling and Production Regulation.
5. The effective date of the experimental scheme is the date of this approval.
6. All information and analysis related to the scheme shall be made available to the ministry upon request.
7. All produced water must be disposed of in accordance with section 97 of the Drilling and Production Regulation.
8. The volumes of produced water disposed of must be recorded on a Monthly Injection/Disposal Statement and submitted to the Energy Resources Division not later than the 25th day of the month following the reported month.
9. The Approval may be modified or rescinded by the Director of the Engineering and Operations Branch, in consultation with the Operator.



Bruce McRae, on behalf of the
Minister of Energy, Mines and
Petroleum Resources

DATED AT the City of Victoria, in the Province of British Columbia, this 1st day of Sept, 1995.