



OIL AND GAS COMMISSION

May 30, 2008

7750-5000-59240-06

Christine Mercier, P.Eng.
Exploitation Engineer
Crew Energy Inc.
1400, 425 – 1st Street S.W.
Calgary AB T2P 3L8

Dear Ms. Mercier:

RE: GOOD ENGINEERING PRACTICE APPROVALS
SEPTIMUS – MONTNEY “A” POOL

Commission staff have reviewed the application, dated April 28, 2008, requesting Good Engineering Practice (GEP) scheme approval for producing gas from the Montney formation in the Septimus area. The areas of application have been tentatively identified as the Septimus field – Montney “A” pool based on limited existing well control and the regional deposition of the gas charged Montney formation.

Attached are Approvals 08-06-012 (Crew Project #1) and 08-06-013 (Crew Project #2), granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. These approvals are intended to allow the drilling and production of gas wells in the GEP areas without regard for spacing and target restrictions for maximization of gas recovery.

The portions of the GEP areas with rights held under Drilling Licence will require Lease selection prior to production.

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

Sincerely,

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering
Resource Conservation

Attachment

RESOURCE CONSERVATION

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 08-06-012

**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

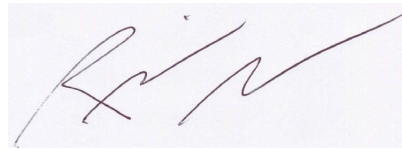
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Crew Energy Inc. (Crew) for producing the Septimus – Montney “A” pool without spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Crew as such scheme is described in

*an Application from Crew to the Commission dated April 28, 2008,
and related submissions.*

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

1. The area of the scheme shall consist of;
Twp 81 Rge 19 W6M – Sect 33, 34, 35
Twp 82 Rge 19 W6M – Sect 2 and 3.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project 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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 30th day of May 2008.

APPROVAL 08-06-013

**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

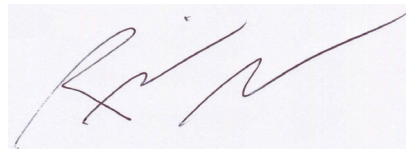
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Crew Energy Inc. (Crew) for producing the Septimus – Montney “A” pool without spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Crew as such scheme is described in

*an Application from Crew to the Commission dated April 28, 2008,
and related submissions.*

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

1. The area of the scheme shall consist of;
Twp 82 Rge 19 W6M – Sect 6, 7, 18
Twp 82 Rge 20 W6M – Sect 12 and 13.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project 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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 30th day of May 2008.