

September 7, 2007

7750-4800-59240-06

Andrew Cheung Engineering Intern NE BC Exploitation Department Devon Canada Corporation 2000, 400 – 3rd Avenue S.W. Calgary AB T2P 4H2

Dear Mr. Cheung:

RE: GOOD ENGINEERING PRACTICE APPROVAL SEPTIMUS – HALFWAY "B" POOL

The Commission has reviewed your application dated July 27, 2007 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from the Septimus Halfway "B" pool.

Attached is Approval 07-06-029, granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*.

This approval is intended to allow operational flexibility and to allow the drilling and production of gas wells without spacing and target considerations for maximization of gas recovery. No objections were received following a publication of notice of the application in the OGC website.

Should you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely,

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Doug McKenzie Director Resource Conservation Branch

Attachment

APPROVAL 07-06-029

THE PROVINCE OF BRITISH COLUMBIA <u>PETROLEUM AND NATURAL GAS ACT</u> DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Devon Canada Corporation (Devon) for producing the Septimus – Halfway "B" gas 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 the GEP scheme of Devon for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Devon to the Commission dated July 27, 2007.

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

1. The area of the project shall consist of:

Twp 81 Rge 18 W6M - section 28.

- 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 scheme area may be produced without individual well allowable restrictions.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

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Doug McKenzie Director Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 7th day of September 2007.