

OIL AND GAS COMMISSION

January 22, 2007

2240-4540-59240-09

Paule Aukema, P. Eng. Principal Reservoir Engineer BG Canada Exploration and Production Inc. 700, 150 – 6th Avenue S.W. CALGARY, AB T2P 3Y7

Dear Ms. Aukema:

RE: WATERFLOOD PRESSURE MAINTENANCE APPROVAL, AMENDMENT #1 BUBBLES NORTH - COPLIN "A" POOL

The Commission has reviewed your application, dated December 20, 2006, requesting an amendment to the pressure maintenance waterflood approval previously granted for the Bubbles North - Coplin "A" oil pool.

Attached is Approval 03-09-002 (Amendment #1) for the application, granted under Section 100 of the <u>Petroleum and Natural Gas Act</u>. Pool performance indicates favourable response to injection to-date. This amendment adds the well b-A79-A/94-G-8 (BH d-70-A) WA# 13197 as an injector, following simulation results indicating that re-configuration of the flood pattern will result in improved sweep efficiency. We understand that the original injector c-B100-A, currently shut-in for remedial work to re-establish annular isolation, may be returned to injection service. All other operating conditions of the approval remain unchanged.

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

Sincerely,

Doug McKenzie Director Resource Conservation Branch

Attachment

APPROVAL 03-09-002 (Amendment #1)

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

IN THE MATTER of a pressure maintenance scheme of BG Canada Exploration and Production Inc. (BG Canada) for recovery of oil by water injection in the Bubbles North - Coplin "A" Pool.

NOW THEREFORE, the Commission, pursuant to Section 100 of the <u>Petroleum and Natural Gas Act</u>, R.S.B.C. 1996, c.361 orders as follows:

The pressure maintenance scheme of BG Canada for recovery of oil by waterflooding the Bubbles North - Coplin "A" Pool as described in the applications to the Commission dated December 17, 2002 and December 20, 2006 is amended, subject to the following terms:

1. The project area of the pressure maintenance scheme consists of;

94-G-8 Block A - units 70, 79, 80, 89, 90, 100 Block B - units 81 and 91.

- 2. The project daily oil allowable is 40.0 m^3 .
- 3. Water may be injected into the Coplin "A" pool through the wells b-A79-A/94-G-8 (BH d-70-A) and c-B100-A/94-G-8 (BH c-91-B/94-G-8).
- 4. All associated produced gas must be conserved.
- 5. The injection pressure measured at the sandface must not exceed the formation fracture pressure.
- 6. An oil well may be completed anywhere within the project area provided that it is not nearer than 100 m to the sides of the project area.
- 7. Progress reports shall be filed as stipulated in Section 8 of the *Petroleum and Natural Gas General Regulation*.
- 8. The operations of the pressure maintenance scheme will be subject to periodic review and modification to the approval may be ordered, if deemed appropriate.

Doug McKenzie Director Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 22nd day of January 2007.