



OIL AND GAS COMMISSION

January 13, 2005

3460-2700-59240-09
OGC - 05010

Scott Urquhart, EIT
Reservoir Engineer
Pengrowth Corporation
2900, 111 - 5th Avenue S.W.
Calgary, AB T2P 3Y6

Pengrowth Project (04)

Dear Mr. Urquhart:

**RE: PRESSURE MAINTENANCE APPROVAL
ELM - GETHING "B" POOL**

The Oil and Gas Commission (OGC) has reviewed your application dated November 18, 2004 wherein you requested a waterflood pressure maintenance approval for the Elm Gething "B" pool.

Attached is Approval # 05-09-001 for the application, granted under Section 100 of the Petroleum and Natural Gas Act.

The OGC form "Production Allowable Report - Crude Oil" must be submitted on a monthly basis for this project. The Concurrent Production Approval # 01-07-003, issued March 20, 2001 and amended October 29, 2004, is hereby rescinded.

Incremental oil recovery from this pool may be eligible for a reduced royalty third tier status. Details may be obtained from an Information Letter at the following web address:
www.rev.gov.bc.ca/mog/oil_gas/information_letters/2000/F2000-1.pdf

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

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

**Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.**

Copy 9

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	S. Chicorelli
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	R. Slocomb
<input type="checkbox"/>	D. Krezanoski

RESOURCE CONSERVATION BRANCH

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 05-09-001

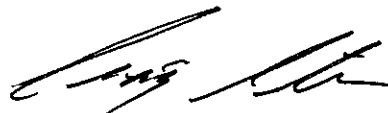
THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
OIL AND GAS COMMISSION

IN THE MATTER of a pressure maintenance scheme of Pengrowth Corporation (Pengrowth) for recovery of oil by water injection in the Elm Gething "B" Pool.

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

The pressure maintenance scheme of Pengrowth for recovery of oil by waterflooding the Elm Gething "B" Pool as described in the application to the Commission dated November 18, 2004 is hereby approved, subject to the following terms:

1. The project area of the pressure maintenance scheme consists of:
94-H-7 Block F - units 8, 9, 18, 19, 28, 29 and 39.
2. The project daily oil allowable is 219.3 m³.
3. Water may be injected into the Elm Gething "B" pool through the well c-29-F/94-H-7 (WA 14822).
4. The Commission must be notified in writing of the date of commencement of water injection.
(Feb. 16, 2005)
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.



Craig Gibson
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 13th day of January 2005.