



OIL AND GAS COMMISSION

January 24, 2005

5000-4500-32640-02

OGC - 05022

Gerard Iannattone, P. Eng.
Reservoir Manager - NE BC/NWT & Foothills
Anadarko Canada Corporation
P.O. Box 2595 Stn M
Calgary, AB T2P 4V4

Anadarko Project (02)

Dear Mr. Iannattone:

**RE: APPROVAL, SECTION 100, PETROLEUM AND NATURAL GAS ACT
BUCKINGHORSE RIVER, SUBSURFACE PROCESSING OF NATURAL GAS
ANADARKO HZ JEDNEY d-B001-L/094-G-08 (WA# 16299)
ANADARKO HZ JEDNEY b- 033-L/094-G-08 (WA# 16373)**

The Commission has reviewed your application, dated January 20, 2005, seeking approval for continuous injection/production operations at the subject wells. Interim approval was previously issued by this office on November 23, 2004. Staff from Anadarko Canada made a presentation to the Commission on October 28, 2004 with details of this project.

The subject wells have been drilled and completed for the exclusive purpose of processing of natural gas, specifically, transportation under the Buckinghorse River. The two horizontal wells intersect in unit 22-L/94-G-8, within the Charlie Lake formation. Initial test information and subsequent data gathered under the interim approval indicate that operation should not result in either the loss or influx of natural gas within the formation at the point of intersection of the wells.

Attached is Approval 05-09-002 for the application, granted under Section 100 of the Petroleum and Natural Gas Act.

The OGC has assigned facility codes to these wells, however as they do not enter into the production accounting process, BC S1, S2 and S18 reports are not required. It is understood that all gas handled will be following 3-phase separation, minimizing liquids content and associated possible meter error.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 9

	Wellfile (originals)
	59240
	Daily
	Resource Revenue
	S. Chicorelli
	R. Stefik
	G. Farr
	R. Slocomb
	D. Krezanoski

RESOURCE CONSERVATION BRANCH

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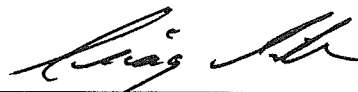
THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
OIL AND GAS COMMISSION

IN THE MATTER of a scheme for the processing/transportation of natural gas of Anadarko Canada Corporation (Anadarko) in the Jedney field by injection and production through horizontal wells under the Buckinghorse River.

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 processing/transportation scheme of Anadarko by injection and production through horizontal wells in the Jedney field under the Buckinghorse River as described in the applications dated November 20, 2004 and January 20, 2005 is hereby approved, subject to the following terms:

1. Natural gas may be injected and produced through the wells located at d-B001-L/94-G-08 (WA 16299) and b-033-L/94-G-08 (WA 16373).
2. Gas injection and production rates must be continuously metered at both wells.
3. The gas injection rate must not exceed $710 \text{ e}^3\text{m}^3/\text{d}$.
4. The injection pressure at the bottomhole must not exceed the formation fracture pressure.
5. The requirement for production and injection through tubing is waived.
6. A casing inspection log must be conducted on a biennial basis.
7. A progress report must be submitted to the Commission within 60 days after the end of each calendar year the scheme is in operation. The progress report must contain the following:
 - (a) the volume of gas processed by the scheme, on a monthly, annual and cumulative basis,
 - (b) representative composition of the combined gas stream gas processed by the scheme, during the reporting period,
 - (c) the average wellhead operating pressures, on a monthly basis, during the reporting period and the maximum and minimum injection pressures,
 - (d) a summary of changes or modifications in the operation of the scheme during the reporting period, including well workovers, recompletions and suspensions, or any surface facility modifications,
 - (e) current operating capacity of the scheme and interpretations of the performance of the scheme, and discussion of any anomalous behaviour.
8. The operations of the 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 29th day of January 2005.