



File: WID# 2019
12 January 2005

Mr. Greg Hladun
Drilling Superintendent
Apache Canada Ltd.
#1000, 700 – 9th Avenue S W.

Calgary, AB T2P 3V4

Dear Mr. Hladun:

Approval to Drill a Well for Apache Paramount Lac Maunoir A-67

Please be advised that your application for an "Approval to Drill a Well", pursuant to section 83 of the *Canada Oil and Gas Drilling Regulations* is approved for the well Apache Paramount Lac Maunoir A-67. Attached please find a signed Approval to Drill a Well form for A-67 of which one copy is to be posted in a conspicuous place at the drill site as per the *Canada Oil and Gas Drilling Regulations*.

Additionally, Apache Canada is granted approval to drill without mud returns to surface for the purposes of setting surface casing in a competent formation and no other sections of the well may be penetrated using this method of drilling.

Any changes or deviation from the program will require the additional specific approval of the Chief Conservation Officer. Please be reminded that all oil and gas activities are, at minimum, to meet the requirements of the *Canada Oil and Gas Drilling Regulations*, the *Oil and Gas Occupational Safety and Health Regulations* and the *Canada Labour Code, Part II*. Conditions of approval are attached. If you have any questions, please do not hesitate to contact Rick Fisher at 299-2798 or Chris Knoechel at 299-3866.

Yours truly,


T. M. Baker
Chief Conservation Officer

Attachment
c.c. M. Fortier - DIAND

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

444, Septième Avenue S -O
Calgary (Alberta) T2P 0X8

Canada

Telephone/Téléphone (403) 292-4800
Facsimile/Télécopieur (403) 292-5503
<http://www.neb-one.gc.ca>

Attachment
Approval to Drill a Well for Apache Paramount Maunoir A-67

1. Please provide a listing of consumables for the well program for Maunoir A-67
2. Daily drilling reports are to be faxed by 8:30 am to the attention of the Chief Conservation Officer (fax number (403) 292-5876). Please contact Trena Barnes (phone number (403) 299-3192) should there be any difficulty in delivery of the daily drilling reports.
3. Geological reports are to be submitted daily which include sample descriptions, strip logs and gas detection readings
4. Please provide immediate copies of any log run as well as two copies of all final prints and digital files in LASII format of all logs run
5. Information to be submitted to the Chief Conservation Officer includes all logs run, drill chips samples, core and fluid samples collected, descriptions and analyses performed on any core, DST results and any pressure and temperature data collected. Actual samples collected are to be submitted to the Core and Sample Repository at the Geological Survey of Canada - Calgary. Additionally, a copy of the core and sample transmittal letter should be forwarded to the Chief Conservation Officer.
6. As per section 122 of the *Canada Oil and Gas Drilling Regulations* formation leak-off tests are to be conducted beginning with the drilling out of the surface casing. The leak-off test data and plot are to be faxed in with the accompanying daily drilling report.
7. Well suspension operations are required to meet the requirements of the *Canada Oil and Gas Drilling Regulations*. Upon program termination and well suspension/abandonment a "Well Termination Record" is required to be submitted and a well bore schematic is to be included
8. A copy of the *Canada Oil and Gas Drilling Regulations* as well as the *Oil and Gas Occupational Safety and Health Regulations* are to be kept at the drill site and available on request by any person at the drill site.
9. Please note the following provisions taken from the *Canada Oil and Gas Operations Act* regarding the powers of a Conservation Officer. Conservation Officers are normally trained in various industry oil and gas safety courses. Please note that while neither the Act nor regulations require a Conservation Officer to possess any industry safety courses to enter and inspect a drilling site, we do ensure that our inspectors are fully trained and have all the prerequisite training to enter any site. Conservation Officers appointed by the Board are only required to provide the person in charge of a drill site proof of their certificate of designation.

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10. Apache shall implement or cause to be implemented all of the policies, practices, mitigative measures, recommendations and procedures for the protection of the environment referred to in its application.
11. Apache shall within 30 days of the completion of the drilling program file with the Chief Conservation Officer a confirmation, by an officer of the company, that the approved Project was completed in compliance with all applicable conditions in the Approval to Drill a Well (ADW). If compliance with any of these conditions cannot be confirmed, the officer of the company shall file with the Chief Conservation Officer details as to why compliance cannot be confirmed.
12. Apache shall meet the Guideline for Ambient Air Quality Standards in the Northwest Territories when conducting any flaring associated with the Maunoir A-67 Drilling Program
13. Drill Cuttings Sampling Requirements
 - a. 5 metre intervals Two sets of washed samples in 11 mL vials. One set of unwashed samples, 500 grams (approximately the size of two fists) in moisture bags. Plastic lined bags not allowed. Invert/oil muds must be removed. Sacks of samples must be labeled with the correct interval and number of bags (ie. 1 of 3). All samples must be fully dried or they will be returned for drying
 - b. 10 metre intervals: N/A
 - c. All samples must be delivered to the Geological Survey of Canada in Calgary at 3303 – 33rd Street NW to the attention of the Head, Core and Sample Repository. A copy of the core and sample transmittal letter must be forwarded to the Chief Conservation Officer at the National Energy Board