

Ken Schuldhaus, P. Eng.
Resources Applications
Alberta Energy and Utilities Board
640-5th Avenue S.W.
Calgary, Alberta T2P 3G4

November 12, 2003

Dear Mr. Schuldhaus,

This letter and attachments are in follow up to your telephone conversation of the week of September 17, 2003 with Gordon Stabb. You may recall his mention that Petro-Canada did not believe that the regional mudstones formed a continuous barrier capable of protecting the bitumen from depleted gas pressure and that in addition, PCOG believed that lateral pressure communication along bayfill sands was a threat to the resource. You responded that the EUB would be interested to have any additional information that we wished to provide in regard to lateral communication and continuity of regional mudstones. In addition, the EUB letter of September 5, 2003 stated that the Board has decided to accept data and interpretive information from interested parties relevant to its regional geologic study.

In response to your comments and to the EUB letter, Petro-Canada is providing you and Cal Hill with two (2) cross sections that reference the Meadow Creek area. The cross sections demonstrate occurrences of intra-pool, lateral communication between gas bearing sands above regional mudstones and gas bearing sands in channel environments where the regional mudstones are not preserved.

Figure 1, is a stratigraphic cross section showing lateral communication between gas in channel sand and gas in sand above regional mudstones in the Hangingstone McMurray "A" Pool.

Figure 2, is a stratigraphic cross section showing lateral communication between gas in channel sand and gas in sand above regional mudstones in the Resdeln McMurray "D" Pool.

A technical discussion of each cross section is attached.

Petro-Canada submits this data and interpretive information as a courtesy to the Board. Petro-Canada does not intend it to be received as an objection to wells exempted from GB-2003-28 shut in at this time.

Yours Truly,

Juergen Rodefald
Reservoir Engineering Manager
Oil Sands, Petro-Canada

cc: Cal Hill