

September 14, 2010

4700-8295-59240-15

Amanda LeBlanc  
Northern Team Geologist  
Penn West Petroleum Ltd.  
200, 207 – 9<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 1K3

Dear Ms. LeBlanc:


**RE: APPLICATION FOR APPROVAL OF AN EXPERIMENTAL SCHEME  
HELMET FIELD (CORDOVA EMBAYMENT) – HORN RIVER FORMATION**

Commission staff have reviewed your application dated August 31, 2010 requesting experimental scheme approval to test the gas potential of the Horn River Formation in the Helmet field Cordova Embayment feature in northeast British Columbia.

There are presently 5 experimental scheme approvals in the Embayment area, one operated by Penn West Petroleum with producing wells, and one other immediately adjacent to the requested area. Penn West's proposed development technology is not considered unique; several operators in the area have utilized or are utilizing techniques comparable to those proposed by Penn West.

The application submitted to the Commission has not demonstrated that the proposed methods are untried and unproven in the particular application. Consequently, the Penn West Petroleum application for experimental scheme approval is denied.

Sincerely,



Richard Slocomb, P.Eng.  
Supervisor, Reservoir Engineering  
Resource Conservation