

September 1, 2009

9021-5000-59240-06

Shari David
Operations Technician
Altia Energy Ltd.
Suite 1820, 101 – 6th Avenue S.W.
Calgary AB T2P 3P4

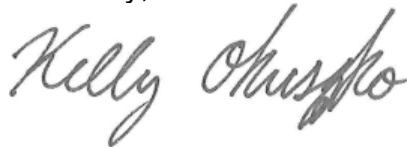
**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1
HERITAGE – MONTNEY “A” POOL**

The Commission has reviewed your application dated August 26, 2009 wherein you requested an amendment to Good Engineering Practice (GEP) scheme approval for producing gas from the regional Heritage - Montney “A” pool.

Attached is Approval 08-06-029 (Amendment #1), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Gas target buffer distances have been reduced to 150 metres for the project boundaries, based on documentation of consent from offsetting rights owners, to allow the drilling and production of gas wells within the GEP area from maximization of gas recovery. The approval area remains unchanged.

Should you have any questions, please contact the undersigned (250) 419-4421 or Travis Mercure at (250) 419-4448.

Sincerely,



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

Attachment

APPROVAL 08-06-029 (AMENDMENT #1)

**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Altia Energy Ltd (Altia) for producing Montney gas from a portion of the Heritage field without well spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Altia for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from Altia to the Commission dated August 5, 2008 and August 28, 2009.

This scheme approval of September 10, 2008, is hereby amended, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

Township 80 Range 15W6M – Section 31
Township 81 Range 15W6M – Section 6
Township 81 Range 16W6M – Section 1

2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 150 m to the sides of the approved project area.
3. The gas wells within the project area may be produced without individual well allowable restrictions.
4. This approval may be modified or rescinded at a later date if deemed appropriate.



for Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 1st day of September 2009.