



OIL AND GAS COMMISSION

July 14, 2008

6140-4800-59240-06

Warren Johnston, P.Eng.
Senior Engineer
Aduro Resources Ltd.
P.O. Box 20038, Bow Valley RPO
Calgary AB T2P 4H3

Dear Mr. Johnston:

RE: GOOD ENGINEERING PRACTICE APPROVAL
MONIAS – HALFWAY FORMATION

Commission staff have reviewed your application dated May 26, 2008, requesting a Good Engineering Project (GEP) scheme approval for producing gas from the Halfway formation in the Monias field.

Attached is Approval 08-06-022, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. For regulatory purposes, the various Halfway sands encountered in the areas of application are deemed a single Halfway pool.

The approval is intended to allow the drilling and production of gas wells without spacing and target considerations for maximization of gas recovery. No objections were received following publication of the application notice.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb', is written over a light blue rectangular background.

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

Attachment

RESOURCE CONSERVATION

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 08-06-022

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

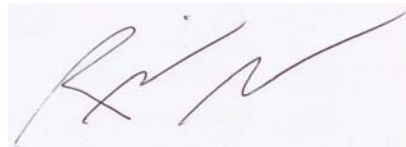
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Aduro Resources Ltd. (Aduro) for producing Monias Halfway formation gas wells without spacing and target restrictions.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of Aduro as such scheme is described in

an Application from Aduro to the Commission dated May 26, 2008 and related submissions.

This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:
Twp 82 Rge 21 W6M – Section 4.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 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.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 14th day of July 2008.