



OIL AND GAS COMMISSION

March 27, 2008

9030-2800-59240-06

Greg Frolek, P. Eng.
Exploitation Engineer
Artek Exploration Ltd.
Suite 1000
700-4th Avenue S.W.
CALGARY AB, T2P 3J4

Dear Mr. Frolek:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
DEEP BASIN - CADOMIN "A" POOL**

The Commission has reviewed your application dated February 25, 2008, requesting a Good Engineering Practice (GEP) approval for the Cadomin formation in the Deep Basin field.

The OGC assigns the Cadomin formation in this area to the Deep Basin field – Cadomin "A" gas pool.

Approval 08-06-010 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. No objections were received following notice of the application on the OGC website

This approval is intended to allow drilling and production of gas wells within the GEP area without regard to spacing and target considerations for maximization of gas recovery.

Should you have any questions, please contact the undersigned at (250) 952-0366.

Sincerely,

for 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 08-06-010

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

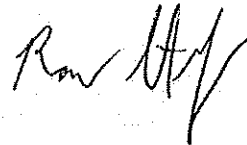
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Artek Exploration Ltd. (Artek) for producing gas wells from the Deep Basin - Cadomin "A" pool without well spacing and target restrictions.

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

an Application from Artek to the Commission dated February 25, 2008.

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

1. The area of the scheme shall consist of:
 - 93-P-1: Block E – units 56-60, 66-70, 80, 90
 - 93-P-2: Block H – units 51-53, 61-63, 71-77 and 81-87.
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 scheme area.
3. Gas wells within the approval area may be produced without individual well allowable restriction.
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 27th day of March 2008.