

February 15, 2010

4900-4900-59240-06

Bruce Nociar, P. Eng.
Vice President, Production
Artek Exploration Ltd.
1000, 700 – 4th Avenue S.W.
Calgary, Alberta T2P 3J4

Dear Mr. Nociar:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #1
INGA – DOIG FORMATION

Commission staff have reviewed your application, dated December 22, 2009, requesting an amendment to the Good Engineering Practice (GEP) scheme approval for producing gas from the Inga field Doig formation.

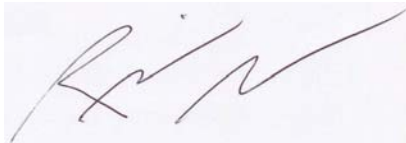
Gas recovery from this tight formation would benefit from the ability to produce horizontal wells in optimal locations.

Attached is Approval 08-06-040 (Amendment #1), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This amendment expands the project area and is intended to allow the drilling and production of gas wells at increased density without regard for normal spacing and target areas for maximization of gas recovery.

No objections were received following notice of application on the OGC website.

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

Sincerely,



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

Attachment

APPROVAL 08-06-040 (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 Artek Exploration Ltd. (Artek) for producing Doig gas from a portion of the Inga 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 Artek for drilling wells without spacing and target restrictions, as such scheme is described in

Applications to the Commission dated August 4, 2008 and December 22, 2009.

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

1. The area of the project shall consist of:

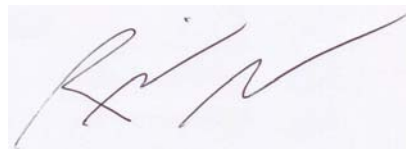
87-23 W6M Sections – 33, 34.

88-23 W6M Sections – 3, 4, 10, 14, 15, and 23.

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 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 15th day of February 2010.