



June 11, 2012

4900-4900-59240-06

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

Dear Mr. Nociar:

**RE: GOOD ENGINEERING PRACTICE SPECIAL PROJECT, AMENDMENT #3  
OTHER THAN NORMAL SPACING ORDER  
INGA FIELD – DOIG FORMATION**

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The Commission has reviewed your application, dated April 20, 2012, requesting amendment of a Good Engineering Practice approval for an area within the Inga field – Doig formation.

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

The following Orders are attached:

- 1) Order 08-06-040 (Amendment #3) designating Good Engineering Practice within a portion of the Inga field Doig formation as a Special Project under section 75 of the *Oil and Gas Activities Act*, and
- 2) Order 08-06-040 (Amendment #3) OTN approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject formation and area.

As a Good Engineering Practice special project, the applicant intends to locate, complete and operate wells in a manner to optimize resource recovery while minimizing surface impacts. No objections were received following posting of a notice of application on the OGC website.

Sections 9 and 12 of Township 88 Section 23 W6 have been added to the GEP area. The requested Section 26-88-23W6 has not been included, at this time, due to lack of proposed operations and uncertainty regarding pay mapping.

Should you have any questions, please contact Curtis Kitchen at (250) 419-4443 or Ron Stefik at (250) 419-4430.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Jenkins', is written over a horizontal line.

Paul Jenkins  
Commissioner & CEO  
Oil and Gas Commission

Attachments

IN THE MATTER of an application from Artek Exploration Ltd. to the Commission dated April 20, 2012 for a Good Engineering Practice project.

**ORDER 08-06-040 (AMENDMENT #3)**

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, a portion of the Inga field – Doig formation is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

DLS Twp 87 Rge 23 W6M    Sections 33, 34  
DLS Twp 88 Rge 23 W6M    Sections 2 - 4, 9 - 12, 14, 15 and 23.



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Paul Jenkins  
Commissioner & CEO  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 11<sup>th</sup> day of June 2012.

IN THE MATTER of an application from Artek Exploration Ltd. to the Commission dated April 20, 2012 for Other Than Normal Spacing.

**ORDER 08-06-040-OTN (AMENDMENT #3)**

1 Under Section 65.1(3) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within a portion of the Inga field – Doig formation within the following area;

DLS Twp 87 Rge 23 W6M Sections 33, 34

DLS Twp 88 Rge 23 W6M Sections 2 - 4, 9 - 12, 14, 15 and 23.

2 Under section 65.1(3) of the *Petroleum and Natural Gas Act*, I specify the following:

- a) the target area for a gas well completed within the project area is not nearer than 250 m to the sides of the Other Than Normal Spacing area, except as noted in part 2 (b).
- b) the target area for a gas well completed within the project area is not nearer than 100 m to the east side of sections 14 and 23, and the north side of section 12.
- c) a gas well completed outside the specified target area may be subject to an off-target production penalty,
- d) gas wells drilled within the specified project area are not subject to spacing requirements.



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Ron Stefik, EngL  
Acting Supervisor,  
Reservoir Engineering  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 11<sup>th</sup> day of June 2012.