

April 21, 2009

0320-5000-59240-06

Steve Glavac, P.Eng.  
Senior Reservoir Engineer  
Canbriam Energy Inc.  
500, 521-3<sup>rd</sup> Avenue S.W.  
Calgary AB T2P 3T3

Dear Mr. Glavac:

**RE: GOOD ENGINEERING PRACTICE APPROVAL – AMENDMENT #1**  
**ALTARES FIELD – MONTNEY FORMATION**

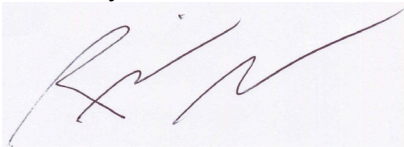
Commission staff have reviewed the application, dated March 6, 2009, requesting Good Engineering Practice (GEP) scheme approval for producing gas from the Montney formation in the Altares area. A portion of the area of application has been mapped into the Altares field – Montney “A” pool based on well results.

Attached is Approval 09-06-06 Amendment #1, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, increasing the approval area. This approval is intended to allow the drilling and production of gas wells in the GEP area without regard for spacing and target restrictions for maximization of gas recovery.

Please note that the portions of the GEP area with rights held under Drilling Licence will require Lease selection prior to production from wells on those tenure.

Should you have any questions, please contact the undersigned at (250) 952-0366 or Kelly Okuszko at (250) 952-0325.

Sincerely,



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

Attachment

**APPROVAL 09-06-006 (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 Canbriam Energy Inc. (Canbriam) for producing gas from the Altares area - Montney formation without spacing, target and production 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 Canbriam as such scheme is described in

*Applications from Canbriam to the Commission dated January 12, 2009 and March 6, 2009.*

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

1. The area of the project shall consist of:

094-A-5 Block D – units 20, 30, 40, 50, 60, 70, 80, 90

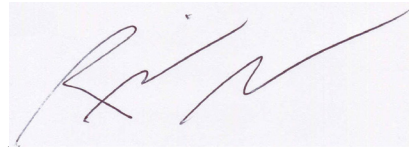
094-B-8 Block A – units 11 – 15, 21 – 25, 31 – 35, 41 – 45, 51 – 55, 61 – 65, 71 – 75, 81 – 85, 92 – 95

094-B-8 Block H – units 2 – 5, 12 – 15, 22 – 25, 32 – 35, 42 – 45, 52 – 55, 62 – 65, 74, 75, 84, 85

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 21<sup>st</sup> day of April 2009.