



October 27, 2011

9022-4997-59240-06

Jim Chan
Senior Staff Engineer
Canbriam Energy Inc.
500, 521 – 3rd Ave SW
CALGARY, AB T2P 3T3

Dear Mr. Chan:

**RE: GOOD ENGINEERING PRACTICE SPECIAL PROJECT
OTHER THAN NORMAL SPACING ORDER
NORTHERN MONTNEY FIELD – DOIG PHOSPHATE-MONTNEY “A” POOL**

The Commission has reviewed your application, dated September 1, 2011, requesting approval of Good Engineering Practice for an area within the Altares field – Doig Phosphate/Montney formation.

The Commission maps the area of application within the recently defined regional Northern Montney field Doig Phosphate-Montney “A” pool. As a compound formation pool, commingled production applications or notifications are not required. Gas recovery from this low permeability resource will benefit from the ability to produce horizontal wells in optimal locations, drilling from central sites.

The following Orders are attached;

- 1) Order 11-06-043 designating Good Engineering Practice within a portion of the Northern Montney field Doig Phosphate-Montney “A” pool as Special Projects under section 75 of the *Oil and Gas Activities Act*, and
- 2) Order 11-06-043–OTN approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject area and pool.

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.

Should you have any questions, please contact Kelly Okuszko at (250) 419-4433 or Ron Stefik at (250) 419-4430.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Paul Jeakins'.

Paul Jeakins
Chief Operating Officer
Oil and Gas Commission

Attachments

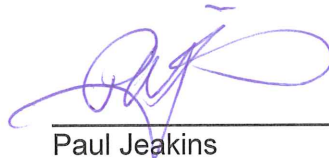
IN THE MATTER of an application from Canbriam Energy Inc. to the Commission dated September 1, 2011 for a Good Engineering Practice project.

ORDER 11-06-043

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

NTS 94-B-8 Block A units 98, 99

NTS 94-B-8 Block H units 8, 9, 18, 19, 28, 29, 38, 39, 48 and 49.



Paul Jeakins
Chief Operating Officer
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this day of October 2011.

IN THE MATTER of an application from Canbriam Energy Inc. to the Commission dated September 1, 2011 for Other Than Normal Spacing.

ORDER 11-06-043-OTN

1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within a portion of the Northern Montney field – Doig Phosphate-Montney “A” pool within the following area;

NTS 94-B-8 Block A units 98, 99

NTS 94-B-8 Block H units 8, 9, 18, 19, 28, 29, 38, 39, 48 and 49.

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 150 m to the sides of the Other Than Normal Spacing area,
- b) a gas well completed outside the specified target area may be subject to an off-target production penalty,
- c) gas wells drilled within the specified project area are not subject to spacing requirements.



Ron Stefik
Sr Technical Advisor,
Reservoir Engineering
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 27th day of October 2011.