



January 18, 2010

3450-8150-59240-06

Claire Galvin  
District Manager, Rainbow Assets  
Foothills/NW Plains Business Unit  
Husky Oil Operations Limited  
PO Box 6525, Station D  
Calgary, Alberta T2P 3G7

Dear Ms. Galvin:

**RE: GOOD ENGINEERING PRACTICE APPROVAL**  
**EKWAN - KAKISA "A" POOL**

Commission staff have reviewed your application, dated October 27, 2009, requesting Good Engineering Practice (GEP) approval for producing gas from the Ekwan field Kakisa "A" pool.

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

Attached is GEP Approval 10-06-002, hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval 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 Ron Stefik at (250) 419-4430.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron Stefik'.

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

Attachment

APPROVAL 10-06-002

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

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IN THE MATTER of a Good Engineering Practice (GEP) scheme of Husky Oil Operations Limited (Husky) for producing gas from a portion of the Ekwan - Kakisa "A" pool without 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 Husky as such scheme is described in

*an Application from Husky to the Commission dated October 27, 2009, and related submissions.*

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

1. The area of the scheme shall consist of:

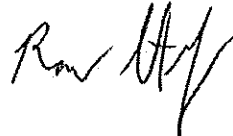
94-I-07 Block K Units 98-100  
Block L Units 91-95

94-I-10 Block C Units 8-10, 18-20, 28-30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90, 96-100  
Block D Units 1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85, 91-95  
Block E Units 1-5, 11-15, 21-25, 31-33, 41-43, 51-53, 61-63  
Block F Units 6-10, 16-20, 26-30, 32-40, 42-50, 52-60 and 62-70.

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 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.



For

Richard Slocomb  
Supervisor, Reservoir Engineering  
Resource Conservation  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 18th day of January 2010.