



OIL AND GAS COMMISSION

February 5, 2009

9021-5000-59240-06

Merle Spence
General Manager, Development
Murphy Oil Company Ltd.
P.O. Box 2721, Station M
1700, 555 – 4 Avenue S.W.
Calgary AB T2P 3Y3

Dear Ms. Spence:

**RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #2)
HERITAGE – MONTNEY “A” POOL**

Commission staff have reviewed your application, dated January 9, 2009, requesting a Good Engineering Practice (GEP) scheme amendment for producing Montney gas from a portion of the subject pool.

Attached is GEP scheme Approval 07-06-003 (Amendment #2), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*.

The approval is intended to allow the drilling and production of additional gas wells without spacing and target considerations for maximization of gas recovery.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb', is written over a light blue rectangular background.

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering

Attachment

RESOURCE CONSERVATION

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

APPROVAL 07-06-003 (Amendment #2)

**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 Murphy Oil Company Ltd. (Murphy) for producing gas from the Heritage – Montney “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 an amendment to the GEP scheme of Murphy for drilling wells without spacing and target restrictions, as such scheme is described in

Applications from Murphy to the Commission dated October 25, 2007 and January 9, 2009.

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

1. The area of the scheme shall consist of:

93-P-8:

Block I – units 54, 55, 64, 65, 74-79, 84-89, 100
Block J – units 91-93

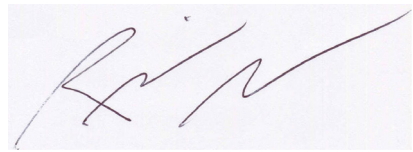
93-P-9:

Block A – units 10, 20, 30-77, 81-87, 91-93
Block B – units 1-3, 11-13, 21-23, 31-33, 41-43, 51-55, 61-65
Block H – units 1-3.

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 the sides of the approved scheme area.

3. The gas wells within the scheme 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
Supervising Reservoir Engineer
Resource Conservation

DATED AT the City of Victoria, in the Province of British Columbia, this 5th day of February 2009.