

November 8, 2011

0320-2700-59240-06

Scot Collins, P.Eng. Senior Engineer Northpoint Energy Ltd 920, 734–7<sup>th</sup> Avenue S.W. Calgary AB T2P 3P8

Dear Mr. Collins:

RE:

GOOD ENGINEERING PRACTICE SPECIAL PROJECT

OTHER THAN NORMAL SPACING ORDER ALTARES FIELD – GETHING "A" POOL

The Commission has reviewed your application dated September 7, 2011, requesting approval of Good Engineering Practice for an area within the Altares field - Gething formation.

The Commission maps this area within the Altares field - Gething "A" pool. Gas recovery from this resource will benefit from the ability to produce horizontal wells in optimal locations, drilling from central sites.

The following Orders are attached;

- 1) Order 11-06-044 designating Good Engineering Practice within a portion of the Altares field Gething "A" pool as a Special Project under section 75 of the Oil and Gas Activities Act, and
- Order 11-06-044 -OTN approving Other Than Normal Spacing under section 65.1 of the Petroleum and Natural Gas Act for the subject pool 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 notice of application on the OGC website.

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

Sincerely,

Paul Jeakins Commissioner

Oil and Gas Commission

Attachments

IN THE MATTER of an application from Northpoint Energy Ltd. to the Oil and Gas Commission dated September 7, 2011 for a Good Engineering Practice project.

## ORDER 11-06-044

1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Altares field – Gething "A" pool is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

94-B-8 Block A - Units 12, 13, 22, 23, 32, 33, 42, 43, 52, 53, 62, 63, 72, 73, 82 and 83.

Paul Jeakins Commissioner

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this gray of November 2011.

IN THE MATTER of an application from Northpoint Energy Ltd. to the Oil and Gas Commission dated September 7, 2011 for Other Than Normal Spacing.

## ORDER 11-06-044-OTN

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Altares field Gething "A" pool within the following area;
  - 94-B-8 Block A Units 12, 13, 22, 23, 32, 33, 42, 43, 52, 53, 62, 63, 72, 73, 82 and 83.
- 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,
  - 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  $\delta$  \(^\dagger\day of November 2011.