



November 29, 2010

1350-4100-59240-06

Vince Farkas, P.Eng.
Nuvista Energy
3500, 700 – 2nd St. SW
CALGARY, AB T2P 2W2

Dear Mr. Farkas:

**RE: GOOD ENGINEERING PRACTICE SPECIAL PROJECTS
OTHER THAN NORMAL SPACING ORDERS
BLACK CREEK FIELD – BALDONNEL “A” POOL**

The Commission has reviewed your application dated March 18, 2010, requesting approval of Good Engineering Practice for areas within the Black Creek Baldonnel formation.

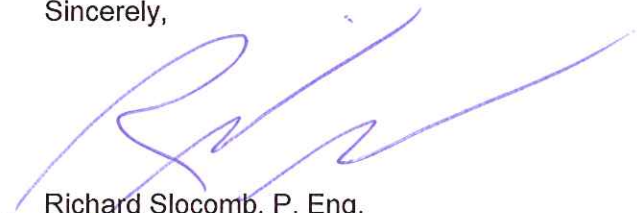
The Commission maps this area within the Black Creek field Baldonnel “A” pool. Gas recovery from this resource will benefit from the ability to produce additional wells in optimal locations.

As a result of recent legislative changes, authorities previously contained in a single approval document for this activity are now covered in the attached;

- 1) Orders 10-06-048, 10-06-049 and 10-06-050 designating Good Engineering Practice within portions of the Black Creek field Baldonnel “A” pool as Special Projects under section 75 of the *Oil and Gas Activities Act*
- 2) Orders 10-06-048–OTN, 10-06-049–OTN and 10-06-050-OTN approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject formations and areas
- 3) Order 01-07-001 Amendment #2 designating Concurrent Production for the Black Creek field Baldonnel “A” pool under section 75 of the *Petroleum and Natural Gas Act* for the subject formations and areas
- 4) Order 01-07-001-OTN Amendment #2 approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject formations and areas

Should you have any questions, please contact the undersigned at (250) 419-4421 or Travis Mercure (250) 419-4448.

Sincerely,



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

Attachments

IN THE MATTER of an application from Nuvista Energy to the Commission dated March 18, 2010 for a Concurrent Production project.

ORDER 01-07-010 (AMENDMENT #2)

1. Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Black Creek field – Baldonnel "A" pool is designated as a special project for oil and natural gas production with project allowables utilizing Concurrent Production within the following area;

NTS 94-H-05 Block J Units 54-57, 64-67, 74-79, 84-89, 92-99

NTS 94-H-12 Block B Units 2-9, 14-20, 24-30, 36-40, 46-50

NTS 94-H-12 Block C Units 11, 21, 31 and 41.

2. The project daily oil allowable is 61.1 m³.
3. The project daily gas limit is 840.0 10³m³.
4. All produced gas must be conserved.



Richard Slocomb
Supervisor, Reservoir Engineering
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of November 2010.

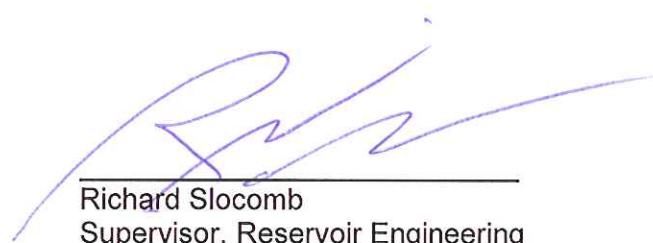
IN THE MATTER of an application from Nuvista Energy to the Commission dated March 18, 2010 for a Good Engineering Practice project.

ORDER 01-07-010-OTN (AMENDMENT #2)

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Black Creek field Baldonnel "A" oil pool within the following area;

NTS 94-H-05 Block J Units 54-57, 64-67, 74-79, 84-89, 92-99
NTS 94-H-12 Block B Units 2-9, 14-20, 24-30, 36-40, 46-50
NTS 94-H-12 Block C Units 11, 21, 31 and 41.

- 2 Under section 65.1(3) of the *Petroleum and Natural Gas Act*, I specify the following:
 - a) the target area for an oil well completed within the project area is not nearer than 100 m to the sides of the Other Than Normal Spacing area,
 - b) an oil well completed outside the specified target area may be subject to an off-target production penalty,
 - c) oil wells drilled within the specified project area are not subject to spacing requirements.



Richard Slocomb
Supervisor, Reservoir Engineering
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of November 2010.


IN THE MATTER of an application from Nuvista Energy to the Commission dated March 18, 2010 for a Good Engineering Practice project.

ORDER 10-06-048

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, a portion of the Black Creek field – Baldonnel "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-H-05 Block J Units 92, 93

NTS 94-H-12 Block B Units 2, 3.



Richard Slocomb
Supervisor, Reservoir Engineering
Oil and Gas Commission


DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of November 2010.

IN THE MATTER of an application from Nuvista Energy to the Commission dated March 18, 2010 for a Good Engineering Practice project.

ORDER 10-06-049

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, a portion of the Black Creek field – Baldonnel "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-H-05 Block J Units 96, 97
NTS 94-H-12 Block B Units 6, 7.



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Supervisor, Reservoir Engineering
Oil and Gas Commission

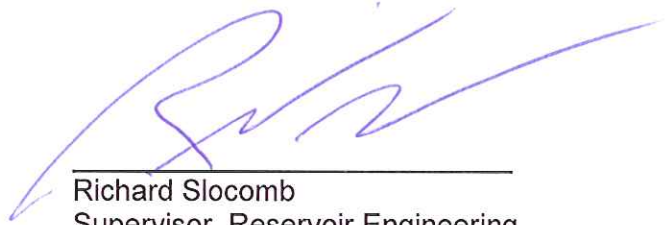
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NTS 94-H-12 Block B Units 36, 37, 46 and 47.



Richard Slocomb
Supervisor, Reservoir Engineering
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of November 2010.

IN THE MATTER of an application from Nuvista Energy to the Commission dated March 18, 2010 for Other Than Normal Spacing.

ORDER 10-06-048-OTN

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Black Creek field Baldonnel "A" gas pool within the following area;
NTS 94-H-05 Block J Units 92, 93
NTS 94-H-12 Block B Units 2, 3.

- 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.



Richard Slocomb
Supervisor, Reservoir Engineering
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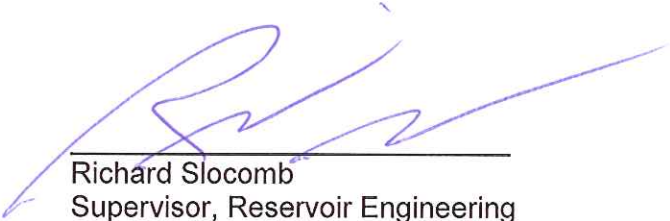
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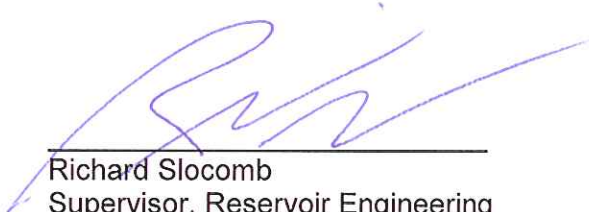
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