



OIL AND GAS COMMISSION

November 29, 2007

5100-2700-59240-06

Max Vorobiev, P.Eng.
Senior Exploitation Engineer
ProEx Energy Ltd.
1200, 205 – 5th Avenue S.W.
Calgary AB T2P 2V7

Dear Mr. Vorobiev:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
JULIENNE CREEK – GETHING “B” POOL**

Commission staff have reviewed your application, dated September 19, 2007 requesting Good Engineering Practice (GEP) scheme approval for producing the Julienne Creek field Gething “B” non-associated gas pool.

The attached Approval 07-06-042 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval incorporates two additional gas spacing areas and is intended to allow the drilling and production of gas wells without spacing and target considerations for maximization of gas recovery.

An objection to this application was filed by Canadian Natural Resources Limited, dated November 1, 2007. The OGC is in agreement with the assertion that the application as originally presented lacked sufficient technical depth, however the additional supporting evidence submitted during a meeting at our offices on October 23, 2007 justifies this amendment.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

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

cc: Canadian Natural Resources Limited (Attn: Kim Mohler)

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 07-06-042

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

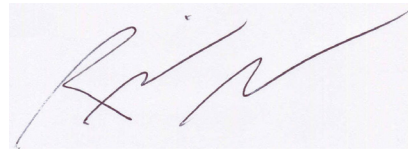
IN THE MATTER of a Good Engineering Practice (GEP) scheme of ProEx Energy Ltd. (ProEx) for producing the Julienne Creek field Gething "B" gas pool without well spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of ProEx for drilling wells without spacing and target restrictions, as such scheme is described in

*an Application from ProEx to the Commission dated September 19, 2007
and related submissions.*

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

1. The area of the project shall consist of:
 - 94-G-2 Block G – units 11, 21, 31, 41
 - Block H – units 20, 30, 40 and 50.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the 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.



Richard Slocomb
Supervisor
Reservoir Engineering

DATED AT the City of Victoria, in the Province of British Columbia, this 29th day of November 2007.