

August 18, 2009

4470/7770-8200-59240-06

Rob Tiberio
VP Operations and C.O.O.
Storm Exploration Inc.
800, 205 - 5th Avenue S.W.
Calgary, AB
T2P 2V7

Dear Mr. Tiberio:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
GUNNELL CREEK/SIERRA – JEAN MARIE “A” POOLS**

Commission staff have reviewed your application, dated June 18, 2009, requesting Good Engineering Practice (GEP) approval for producing Jean Marie gas in the Sextet, Sahtaneh, and Sierra areas. The area of application has been designated as part of the regional Gunnell Creek and Sierra – Jean Marie ‘A’ pools by the Commission.

Attached are GEP Approvals 09-06-029 (Storm Project #1), 09-06-030 (Storm Project #2), 09-06-031 (Storm Project #3), and 09-06-032 (Storm Project #4), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. These approvals are 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 public notice of the application on the OGC website.

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

Sincerely,



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

Attachment

APPROVAL 09-06-029

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 Storm Exploration Inc. (Storm) for producing gas from a portion of the Sierra – Jean Marie “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 Storm as such scheme is described in

an Application from Storm to the Commission dated June 18, 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-11 Block E – units 16-19, 26-,29, 40, 50, 60, 70, 78, 79, 88, 89
94-I-12 Block H – units 31, 41, 51, 61

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.



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 August 2009.

APPROVAL 09-06-030

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 Storm Exploration Inc. (Storm) for producing gas from a portion of the Sierra – Jean Marie “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 Storm as such scheme is described in

an Application from Storm to the Commission dated June 18, 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-11 Block L – units 14-17, 24-27, 34, 35, 44, 45, 54, 55, 64, 65

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.



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 August 2009.

APPROVAL 09-06-031

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 Storm Exploration Inc. (Storm) for producing gas from a portion of the Sierra – Jean Marie “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 Storm as such scheme is described in

an Application from Storm to the Commission dated June 18, 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-11 Block L – units 20, 30

94-I-12 Block I – units 11, 21

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.



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 August 2009.

APPROVAL 09-06-032

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 Storm Exploration Inc. (Storm) for producing gas from a portion of the Gunnell Creek – Jean Marie “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 Storm as such scheme is described in

an Application from Storm to the Commission dated June 18, 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-12 Block G – units 71, 81, 91-93
 Block H – units 54-57, 64-67, 74-80, 84-90, 94-100
 Block I – units 4-10, 16-19, 26-29, 40, 50
 Block J – units 1-3, 31, 41

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.



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 August 2009.