

November 24, 2008 9021-5000-59240-06

H. Darren Evans, P.Eng. Storm Exploration Inc. 800, 205 – 5th Avenue S.W. Calgary AB T2P 2V7

Dear Mr. Evans:

RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #1) HERITAGE – MONTNEY "A" POOL

Commission staff have reviewed the application, dated October 16, 2008, requesting a Good Engineering Practice (GEP) scheme amendment for producing Montney gas from a portion of the subject pool.

Attached is GEP scheme Approval 07-06-033 (Amendment #1), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval is intended to allow the drilling and production of additional gas wells for maximization of gas recovery.

No objections were received following a publication of notice of the application in the OGC website.

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

Sincerely,

Richard Slocomb, P.Eng.

Supervisor, Reservoir Engineering

Resource Conservation

Attachment

APPROVAL 07-06-033 (AMENDMENT #1)

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 a portion of the Heritage – Montney "A" 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 Storm as such scheme is described in

Applications from Storm to the Commission dated August 12, 2007 and October 16, 2008 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:

T 80 R16 W6M – Sections 16, 17, 20, 21, 28, 29, 32-34 T 81 R16 W6M – Sections 2-5, 8-12

- 2. Gas wells within the project area may be produced without individual well allowable restriction.
- 3. 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.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

Richard Slocomb, P.Eng.

Supervisor, Reservoir Engineering

Resource Conservation

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 24th day of November 2008.