



OIL AND GAS COMMISSION

February 5, 2009

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 #2
HERITAGE – MONTNEY “A” POOL

Commission staff have reviewed the application dated January 19, 2009, requesting a Good Engineering Practice (GEP) scheme amendment for producing Montney gas from a portion of the regional Heritage – Montney “A” pool.

Please find attached, Approval 07-06-033 (Amendment #2), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Gas target buffer distances have been reduced to 150 meters on various project boundaries specified in the attached approval, based on documentation of consent from off-setting rights owners, to allow the drilling and production of gas wells within the GEP area for maximization of gas recovery.

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

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
Resource Conservation

Attachment

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 07-06-033 (AMENDMENT #2)

**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 regional 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 amends the GEP scheme of Storm, as such scheme is described in

An Application from Storm to the Commission dated August 12, 2007, October 16, 2008, January 19, 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 :

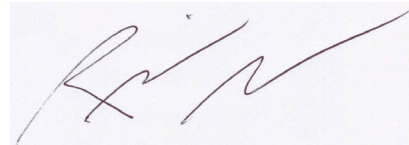
T 80 R16 W6M – Sections 16, 17, 20, 21, 28, 29, 32-34
T 81 R16 W6M – Sections 2-5, 8-12

2. Gas wells within the project area may be produced without individual well allowable restriction.

1. 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, with the exception of the following project boundaries where gas wells may be completed to within **150 m**:

T 80 R16 W6M – West side of Sections 17, 20, 29, 32
East side of Section 28
South and East sides of Section 34
T 81 R16 W6M – South and East side of Section 2

3. 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 5th day of February 2009.