



OIL AND GAS COMMISSION

October 26, 2007

6600-4800-59240-06

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
PARKLAND – HALFWAY “B” POOL**

Commission staff have reviewed the application, dated August 21, 2007, requesting Good Engineering Practice (GEP) scheme approval for producing wells from the subject pool.

The area of application consists of one section (5-81-16 W6M). There are currently two wells drilled within this area; Storm Exp Parkland 1-5-81-16 W6M (WA# 20290) and Storm Exp et al Parkland 10-5-81-16 W6M (WA# 21342). The second well drilled (10-5) was originally targeting the Doig formation and has been on production since March 2007. The subject pool appears to be compartmentalized and therefore it is anticipated that the ultimate recovery of reserves will be enhanced by having an additional well on production. Furthermore Storm Exploration holds the petroleum and natural gas rights in the lands surrounding the application area.

Please find attached GEP scheme Approval 07-06-032, 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 an additional gas well for maximization of gas recovery.

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

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

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 07-06-032

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

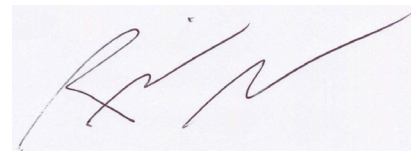
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Storm Exploration Inc. (Storm) for producing the Parkland – Halfway “B” pool without well spacing restrictions.

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 August 21 , 2007 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 :
081-16 W6M – Section 5
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 26th day of October 2007.