

July 28, 2009 9021-5000-59240-06

D. John MacDonald, P.Eng. Development Engineer Talisman Energy Inc. 3400, 888-3rd Street S.W. Calgary AB T2P 5C5

Dear Mr. MacDonald:

RE: GOOD ENGINEERING PRACTICE APPROVAL HERITAGE – MONTNEY "A" POOL

Commission staff have reviewed the application, dated March 31, 2009, requesting Good Engineering Practice (GEP) scheme approval for producing gas from the Montney formation in the Brassey area. The area of application is proximal to the Heritage field – Montney "A" pool based on regional deposition of the gas charged Montney formation.

Attached is Approval 09-06-025 (Talisman Project #3), 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 gas wells in the GEP areas without regard for spacing and target restrictions for maximization of gas recovery.

The GEP gas target area boundary is 250 meters inside the approval area. This distance may be reduced as an amendment request where evidence of off-setting consent is supplied.

Please note that the portions of the GEP area with rights held under Drilling Licence will require Lease selection prior to production from wells on those tenure.

Should you have any questions, please contact Ron Stefik at (250) 419-4430.

Sincerely,

Richard Slocomb, P.Eng.

Supervisor, Reservoir Engineering

Resource Conservation

Attachment

APPROVAL 09-06-025

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 Talisman Energy Inc. (Talisman) for producing a portion of the Heritage – Montney "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 Talisman as such scheme is described in

an Application from Talisman to the Commission dated March 31, 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;

Twp 76 Rge 19 W6M Fractional North Sections 31 & 32

Twp 77 Rge 19 W6M Sections 5 - 11, 14 - 18, 23, 26, 27, 34, 35

Twp 78 Rge 19 W6M Sections 3, 4

93-P-10 Block E Units 32, 33, 42, 43 and fractional Units 52 - 55.

- 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

Resource Conservation

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 28th day of July 2009.