



December 10, 2010

6480-2000/2200/2700/2800/2850-59240-06

Nkem Ejiofor
Development Engineer
Talisman Energy
P.O. Box 130, Station M
Calgary, Alberta, T2P 2H7

Dear Mr. Ejiofor:

**RE: APPLICATION FOR GOOD ENGINEERING PRACTICE SPECIAL PROJECT
OJAY FIELD – CADOTTE, FALHER, GETHING, CADOMIN, NIKANASSIN FORMATIONS**

The Commission has reviewed your application dated September 17, 2010, requesting Good Engineering Practice approval for gas production from the Paddy, Cadotte, Falher, Gething, Cadomin and Nikanassin formations within the Ojay field.

Talisman drilled the a-92-1/93-1-8 [WA 22569] well in February 2008 and the Bluesky, Gething, Cadomin and Nikanassin formations commenced commingled production in February 2010 at an initial rate of $158 \times 10^3 \text{ m}^3/\text{d}$. The well is currently producing $184 \times 10^3 \text{ m}^3/\text{d}$.

Devon Canada Corporation objected to Talisman's application on October 28, 2010 on the basis that pressure depletion has been observed in offsetting wells producing from the same pools. The OGC concurs with Devon's observations and concludes that GEP isn't necessary to recover additional reserves at this time. Also, with absence of production data from some of the formations under application and limited production data from existing formations, a technically valid argument for the benefit of drilling at reduced spacing has not been provided.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Slocomb', is written over a horizontal line.

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

Attachments

Cc Dave Thomas, Devon Canada Corporation