

December 6, 2011

8120-4900-59240-06

Jeff Marshall, P.Eng., CFA Sr. Reservoir Engineer Tourmaline Oil Corp. 3700, 250–6<sup>th</sup> Avenue S.W. Calgary AB T2P 3H7

Dear Mr. Marshall:

RE:

GOOD ENGINEERING PRACTICE SPECIAL PROJECTS OTHER THAN NORMAL SPACING ORDERS

SUNRISE FIELD - DOIG "A" POOL

The Commission has reviewed your application dated November 1, 2011, requesting approval of Good Engineering Practice for two areas within the Sunrise field - Doig formation.

The Commission maps these areas within the Sunrise field - Doig "A" pool. Gas recovery from this resource will benefit from the ability to produce horizontal wells in optimal locations, drilling from central sites.

The following Orders are attached;

- 1) Orders 11-06-048 and 11-06-049 designating Good Engineering Practice within a portion of the Sunrise field Doig "A" pool as a Special Project under section 75 of the *Oil and Gas Activities Act*, and
- 2) Orders 11-06-048-OTN and 11-06-049-OTN approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject pool and area.

With the Good Engineering Practice special projects, the applicant intends to locate, complete and operate wells in a manner to optimize resource recovery while minimizing surface impacts. No objections were received following notice of application on the OGC website.

Should you have any questions, please contact Ron Stefik at (250) 419-4430 or Kelly Okuszko at (250) 419-4433.

Sincerely,

Paul Veakins

Commissioner & CEO
Oil and Gas Commission

Attachments

IN THE MATTER of an application from Tourmaline Oil Corp. to the Oil and Gas Commission dated November 1, 2011 for a Good Engineering Practice project.

## ORDER 11-06-048

Under Section 75(1)(a) of the Oil and Gas Activities Act, the Sunrise field – Doig "A" pool is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

DLS 79-17W6 – Section 34 DLS 80-17W6 – Sections 3 and 10.

Paul Jeakins

Commissioner & CEO
Oil and Gas Commission

IN THE MATTER of an application from Tourmaline Oil Corp. to the Oil and Gas Commission dated November 1, 2011 for Other Than Normal Spacing.

## ORDER 11-06-048-OTN

1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Sunrise field – Doig "A" gas pool within the following area;

DLS 79-17W6 – Section 34 DLS 80-17W6 – Sections 3 and 10.

- 2 Under section 65.1(3) of the Petroleum and Natural Gas Act, I specify the following:
  - a) the target area for a gas well completed within the project area is not nearer than 250 m to the sides of the Other Than Normal Spacing area,
  - b) a gas well completed outside the specified target area may be subject to an off-target production penalty,
  - c) gas wells drilled within the specified project area are not subject to spacing requirements.

Ron Stefik, AScT Sr Technical Advisor Reservoir Engineering Oil and Gas Commission

IN THE MATTER of an application from Tourmaline Oil Corp. to the Oil and Gas Commission dated November 1, 2011 for a Good Engineering Practice project.

## ORDER 11-06-049

Under Section 75(1)(a) of the Oil and Gas Activities Act, the Sunrise field – Doig "A" pool is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

DLS 80-17W6 – Sections 7, 8, 18 DLS 80-18W6 – Sections 12 and 13.

Paul Jeakins

Commissioner & CEO
Oil and Gas Commission

IN THE MATTER of an application from Tourmaline Oil Corp. to the Oil and Gas Commission dated November 1, 2011 for Other Than Normal Spacing.

## ORDER 11-06-049-OTN

1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Sunrise field – Doig "A" gas pool within the following area;

DLS 80-17W6 – Sections 7, 8, 18 DLS 80-18W6 – Sections 12 and 13.

- 2 Under section 65.1(3) of the Petroleum and Natural Gas Act, I specify the following:
  - a) the target area for a gas well completed within the project area is not nearer than 250 m to the sides of the Other Than Normal Spacing area,
  - b) a gas well completed outside the specified target area may be subject to an off-target production penalty,
  - c) gas wells drilled within the specified project area are not subject to spacing requirements.

Ron Stefik, AScT Sr Technical Advisor Reservoir Engineering Oil and Gas Commission