

March 17, 2014

8220/6400-5000-59240-06

Lesley Jorgensen Storm Resources Ltd. 200, 205 – 5<sup>th</sup> Avenue S.W. Calgary AB T2P 3G4

Dear Ms. Jorgensen:

RE:

GOOD ENGINEERING PRACTICE SPECIAL PROJECT AMENDMENT #2
OTHER THAN NORMAL SPACING ORDER
UMBACH AND NIG CREEK FIELDS – MONTNEY "A" POOL

The Commission has reviewed your application, dated February 19, 2014, identifying the acquisition of Yoho Resources Inc. lands under Good Engineering Practice (GEP) approval adjacent to existing Storm GEP approval 13-06-004. Since both approval areas are now 100% Storm working interest and the areas are contiguous, the Commission herby amends approval 13-06-004 to include the areas of both approvals.

The following Orders are attached;

- 1) Order 13-06-004 Amendment #2 designating Good Engineering Practice within a portion of Umbach and Nig Creek Montney "A" pool as a Special Project under section 75 of the Oil and Gas Activities Act, and
- 2) Order 13-06-004-OTN Amendment #2 approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject formation and area.

GEP Order 11-36-037, issued to Yoho Resources Inc., is hereby terminated.

Also included within the GEP in this amendment is the spacing area of units 58, 59, 68, 69 of Block D/94-H0-3, rights acquired by Storm Resources.

Should you have any questions, please contact Ron Stefik at (250) 419-4430 or Michelle Gaucher at (250) 419-4482.

Sincerely,

Richard Slocomb, P.Eng.

Deputy Commissioner, Engineering

Oil and Gas Commission

Attachments

IN THE MATTER of a request from Storm Resources Ltd. to the Commission dated February 19, 2014 for a Good Engineering Practice project amendment,

## **ORDER 13-06-004 Amendment #2**

1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Umbach and Nig Creek fields Montney formation is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

NTS 94-A-13 Block I- Units 51, 61, 92-95

NTS 94-A-14 Block L- Units 34-39, 44-49, 54-60, 64-70, 74-79, 84-89, 96-99

NTS 94-H-3 Block D Units 6-9, 16-20, 26-30, 34-40, 44-50, 56-60, 66-70, 76-80,

86-90, 98-100

Block E -Units 8-10

NTS 94-H-4 Block A - Units 2-5, 11-57, 61-67, 71-77, 81-87, 91-93

Block B - Units 11, 21, 31, 41

Block H – Units 1-3.

Richard Slocomb, P. Eng.

Deputy Commissioner, Engineering

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this / 1 day of March, 2014.

IN THE MATTER of a request from Storm Resources Ltd. to the Commission dated February 19, 2014 for Other Than Normal Spacing amendment,

## ORDER 13-06-004-OTN Amendment #2

1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Umbach and Nig Creek fields Montney formation within the following area;

NTS 94-A-13 Block I- Units 51, 61, 92-95

NTS 94-A-14 Block L- Units 34-39, 44-49, 54-60, 64-70, 74-79, 84-89, 96-99

NTS 94-H-3 Block D Units 6–9, 16–20, 26–30, 34-40, 44-50, 56-60, 66-70, 76-80, 86-90, 98-100

Block E - Units 8-10

NTS 94-H-4 Block A -Units 2-5, 11-57, 61-67, 71-77, 81-87, 91-93 Block B – Units 11, 21, 31, 41 Block H – Units 1-3.

- 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 150 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, Eng. L.

Supervisor, Reservoir Engineering

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 17 day of March, 2014.