

October 9, 2009

9000-8285-59240-15

Mike Read VP, Product Development Ramshorn Canada Investments Ltd. 2800, 500 – 4<sup>th</sup> Avenue SW, Calgary, Alberta T2P 2V6

Dear Mr. Read:

## RE: APPLICATION FOR APPROVAL OF AN EXPERIMENTAL SCHEME TATTOO AREA – HORN RIVER FORMATION

Commission staff have reviewed your application dated March 13, 2009 along with supplemental information provided September 4, 2009 requesting experimental scheme approval to test the gas potential of the Horn River Formation in the Tattoo area in northeast British Columbia.

Activity in the Horn River Basin has increased significantly since the first experimental scheme approval was issued in 2005. Currently there are over 30 experimental scheme approvals in the Horn River Basin with many wells set to be released from confidentiality over the coming year. Ramshorn Canada's proposed completion technology is not considered unique. Several operators in the basin have utilized or are utilizing techniques comparable to those proposed by Ramshorn.

The application submitted to the Commission has not demonstrated that the proposed methods are untried and unproven in the particular application. Consequently, Ramshorn Canada's application for experimental scheme approval is denied.

Sincerely,

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

Cc Eugene Wasylchuk, Consultant