

March 11, 2009

9021-5000-59240-06

ARC Resources Ltd. c/o Justin Pyper, E.I.T. Junior Engineer Fekete Associates Inc. 2000, 540 – 5 Avenue S.W. Calgary AB T2P 0M2

Dear Mr. Pyper:

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

Commission staff have reviewed your application (dated January 16, 2009), on behalf of ARC Resources Ltd., requesting a Good Engineering Practice (GEP) scheme approval for producing gas from a portion of the regional Heritage – Montney "A" pool.

The Approval 09-06-009 is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Gas target buffer distances have been reduced to 150 meters for the project boundaries, based on documentation of consent from offsetting rights owners.

This approval is intended to allow operational flexibility and to allow the drilling and production of additional gas wells within the GEP area for maximization of gas recovery. No objections were received following notice of the application on the OGC website.

Should you have any questions, please contact the undersigned at (250) 952-0366 or Kelly Okuszko at (250) 952-0325.

Sincerely,

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

Attachment

APPROVAL 09-06-009

THE PROVINCE OF BRITISH COLUMBIA <u>PETROLEUM AND NATURAL GAS ACT</u> DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of ARC Resources Ltd. (ARC) for producing gas from a portion of the regional Heritage - Montney "A" pool without well 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 ARC for drilling wells without spacing and target restrictions, as such scheme is described in

an Application on behalf of ARC to the Commission dated January 16, 2009.

This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of:

| Twp 78 Rge 17 W6M | Sections 18, 19, 30 |
|-------------------|------------------------------------|
| Twp 78 Rge 18 W6M | Sections 13, 19, 20, 23-29, 34, 35 |
| Twp 78 Rge 19 W6M | Sections 24-26, 34-36 |
| Twp 79 Rge 18 W6M | Sections 1, 11 |

- 2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than **150 m** to the sides of the approved scheme area.
- 3. The gas wells within the scheme 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

DATED AT the City of Victoria, in the Province of British Columbia, this 11th day of March 2009.