

March 8, 2010

9021-5000-59240-06

Greg Douglas Vice President, Land Huron Energy Corporation 1000 Bow Valley Square 1 202, 6th Avenue S.W. Calgary AB T2P 2R9

Dear Mr. Douglas:

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

Commission staff have reviewed the application, dated March 3, 2010, requesting amendment to Good Engineering Practice (GEP) scheme approvals granted for producing gas from the regional Heritage field Montney "A" pool.

Attached are Approvals;

08-06-031 (Huron Project #1) Amendment #2, and 08-06-032 (Huron Project #2) Amendment #3,

granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Both areas have been modified, three sections previously in Project #2 moved to Project #1. As well, some gas target buffer distances have been altered, based on documentation of consent from off-setting rights owners, to allow the drilling and production of gas wells within the GEP areas for maximization of gas recovery.

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

Sincerely,

Richard Slocomb, P.Eng.

Supervisor, Reservoir Engineering

Resource Conservation

Attachments

APPROVAL 08-06-031 (Amendment #2)

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Huron Energy Corporation (Huron), for producing gas wells without spacing and target restrictions from the Heritage field - Montney "A" pool.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby amends the GEP scheme of Huron as such scheme is described in

an Application from Huron to the Commission dated July 22, 2008, January 20, 2009, March3, 2010 and related submissions.

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

1. The area of the project shall consist of:

Twp 80 Rge 18 W6M: sections 11, 14, 22 and 23.

- 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 project area; except for 50 m to the east sides of sections 11 and 14 of 80-18.
- 3. The gas wells within the project 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 9th day of March 2010.

APPROVAL 08-06-032 (Amendment #3)

THE PROVINCE OF BRITISH COLUMBIA PETROLEUM AND NATURAL GAS ACT DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Huron Energy Corporation (Huron), for producing gas wells without spacing and target restrictions from the Heritage field - Montney "A" pool.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby amends the GEP scheme of Huron as such scheme is described in

an Application from Huron to the Commission dated July 22, 2008. January 21, 2009, April 7, 2009, March 3, 2010 and related submissions.

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

1. The area of the project shall consist of:

Twp 79 Rge 17 W6M: section 34

Twp 80 Rge 17 W6M: sections 4, 7, 8, 18

Twp 80 Rge 18 W6M: sections 12 and 13.

- 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 project area; except for 50 m to the west sides of sections 12 and 13 of 80-18.
- 3. The gas wells within the project 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 9th day of March 2010.