

April 15, 2009 0320-5000-59240-06

Ike Uhuegbulem, P.Eng. Team Lead, Montney Shale Talisman Energy Inc. 3400, 888-3rd Street S.W. Calgary AB T2P 5C5

Dear Mr. Uhuegbulem:

RE: GOOD ENGINEERING PRACTICE APPROVAL ALTARES FIELD – MONTNEY FORMATION

Commission staff have reviewed the application, dated March 5, 2009, requesting Good Engineering Practice (GEP) scheme approval for producing gas from the Montney formation in the Altares area. A portion of the area of application has been mapped into the Altares field – Montney "B" pool based on well results.

Attached is Approval 09-06-012, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. This approval is intended to allow the drilling and production of gas wells in the GEP area without regard for spacing and target restrictions for maximization of gas recovery.

Please note that the GEP area with rights held under Drilling Licence will require Lease selection prior to production from wells on those tenure.

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 09-06-012

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 Talisman Energy Inc. (Talisman) for producing gas from the Altares area – Montney formation without 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 Talisman as such scheme is described in

an Application from Talisman to the Commission dated March 5, 2009, and related submissions.

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

1. The area of the scheme shall consist of;

083-26 W6M Fractional East Section 13

94-A-04 Block L Fractional units 38, 48 and units 39, 40, 49, 50

94-B-01 Block I Units 12 – 15, 22- 25, 31, 41, 52 – 55, 62 – 65, 72 – 79, 82 – 89

- 2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project area.
- 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

Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 15th day of April 2009.