

December 1, 2014

3465-8200-59240-06

Ryan Karr, P. Eng.  
Endurance B.C. Gas Ltd.  
Suite 800, 215 – 9<sup>th</sup> Avenue S.W.  
Calgary, Alberta, T2P 1K3

Dear Mr. Karr:

**RE: GOOD ENGINEERING PRACTICE SPECIAL PROJECT, AMENDMENT #2  
OTHER THAN NORMAL SPACING ORDER  
ESKAI FIELD – JEAN MARIE FORMATION**

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The Commission has reviewed your application, dated October 6, 2014, requesting an amendment of Good Engineering Practice approval 08-06-003 for an area within the Eskai field – Jean Marie formation.

The area applied for is mapped as an extension, to the north and south, of the existing Endurance gas GEP approval area. The extension will allow for two additional multiwall pads to be drilled, each pad with 4 single leg horizontal wells to be completed with multistage fracture stimulations. Success with multi-stage hydraulic fracs on 3 existing Jean Marie wells provides confidence in this completion technique to recover further reserves.

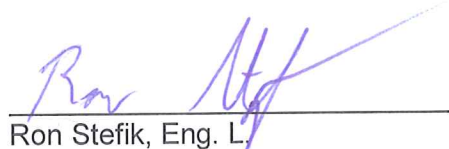
The following Orders are attached:

- 1) Order 08-06-003 Amendment #2 designating Good Engineering Practice within a portion of the Eskai field Jean Marie formation as a Special Project under section 75 of the *Oil and Gas Activities Act*, and
- 2) Order 08-06-003 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.

As a Good Engineering Practice special project, the applicant intends to locate, complete and operate wells in a manner to optimize resource recovery while minimizing surface impacts.

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

Sincerely,



Ron Stefik, Eng. L.  
Supervisor, Reservoir Engineering  
Oil and Gas Commission

Attachments

IN THE MATTER of an application from Endurance B.C. Gas Ltd. to the Commission dated October 6, 2014 for a Good Engineering Practice project amendment.

**ORDER 08-06-003 Amendment #2**

1. Under Section 75(1)(a) of the *Oil and Gas Activities Act*, a portion of the Eskai field – Jean Marie formation is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

NTS 94-I-04 Block D - Units 52 - 57, 62 - 67, 72 - 77, 82 - 87, 92 - 100  
Block E - Units 2-70, 72-80, 82-90, 92-100  
Block F - Units 20, 30, 40, 50, 60, 70  
Block L - Units 2-10, 16-20, 26-30, 36-40, 46-50, 54-60, 64-70, 74-80, 84-90,  
96-100

94-I-05 Block D - Units 6-10, 16-20, 26-30, 36 - 39, 46 - 49, 56 - 59, 66 - 69

94-J-01 Block A - Units 91-93  
Block H - Units 1-3, 11-13, 21-23, 31-33, 41-43, 51-53, 61-63, 71-73, 81-83, 91  
Block I - Units 1, 11, 21, 31, 41, 51, 61, 71, 81, 91

94-J-08 Block A - Units 1, 11 and 21.

  
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Ron Stefik, Eng. L.  
Supervisor, Reservoir Engineering  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 1<sup>st</sup> day of December, 2014.

IN THE MATTER of an application from Endurance B.C. Gas Ltd. to the Commission dated October 6, 2014 for Other Than Normal Spacing amendment.

**ORDER 08-06-003-OTN Amendment #2**

1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within a portion of the Fireweed field – Doig formation within the following area;

- NTS 94-I-04 Block D - Units 52 - 57, 62 - 67, 72 - 77, 82 - 87, 92 - 100  
Block E - Units 2-70, 72-80, 82-90, 92-100  
Block F - Units 20, 30, 40, 50, 60, 70  
Block L - Units 2-10, 16-20, 26-30, 36-40, 46-50, 54-60, 64-70, 74-80, 84-90, 96-100
- 94-I-05 Block D - Units 6-10, 16-20, 26-30, 36 - 39, 46 - 49, 56 - 59, 66 - 69
- 94-J-01 Block A - Units 91-93  
Block H - Units 1-3, 11-13, 21-23, 31-33, 41-43, 51-53, 61-63, 71-73, 81-83, 91  
Block I - Units 1, 11, 21, 31, 41, 51, 61, 71, 81, 91
- 94-J-08 Block A - Units 1, 11 and 21.

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 250m 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.



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Ron Stefik, Eng. L.  
Supervisor, Reservoir Engineering  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 1<sup>st</sup> day of December, 2014.