



June 27, 2016

5860-4900-59240-06

Greg Peddle, P.Eng.
Senior Production Engineer
Husky Energy Inc.
707- 8th Avenue S.W.
Calgary AB T2P 3G7

Dear Mr. Peddle:

**RE: GOOD ENGINEERING PRACTICE (GEP) SPECIAL PROJECT, AMENDMENT #1
OTHER THAN NORMAL SPACING ORDER, AMENDMENT #1
MICA CREEK FIELD - DOIG "B" POOL**

The Commission performed an administrative review of Special Project Order 15-06-001 for the Mica field Doig "B" pool, resulting in the amendment of two conditions within the approval;

- The daily oil allowable is increased from 77.4 m³/d to 83.9 m³/d, effective from the start of the current production allowable reporting year (November 1, 2015); and
- Clarification that individual well daily oil allowable do not apply, as wells are subject to an aggregate project allowable that may be taken from any combination of wells within the project area.

The following Orders are attached:

- 1) Order 15-06-001 Amendment #1 designating Good Engineering Practice within a portion of the Mica Creek field Doig formation as a Special Project under section 75 of the *Oil and Gas Activities Act*, and
- 2) Order 15-06-001 OTN Amendment #1 approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject formation and area.

The Commission apologizes for any inconvenience that may have caused.

Should you have any questions, please contact Petra Kriescher-Trudgeon at (250) 419-4415 or the undersigned at (250) 419-4430.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron Stefik', written over a horizontal line.

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

IN THE MATTER of an application from Husky Energy Inc. to the Oil and Gas Commission dated May 19th, 2015 for a Good Engineering Practice project.

ORDER 15-06-001 Amendment #1

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Mica Creek field – Doig “B” pool is designated as a special project for the recovery of oil utilizing Good Engineering Practice within the following area;

DLS Twp 81 Rge 13 W6M SW/4 Section 31

 Twp 81 Rge 14 W6M Section 36

 Twp 82 Rge 14 W6M SW/4 Section 1

- 2 Under section 75(2) of the *Oil and Gas Activities Act*, I specify the following:

- a) Individual oil wells completed within the project target area are exempt from the provisions of section 54 of the *Drilling and Production Regulation*, daily oil allowable, pursuant to section 4(1)(p).
- b) The project unadjusted daily oil allowable is 83.9 m³/d.



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

DATED AT the City of Victoria, in the Province of British Columbia, this 27th day of June 2016.

IN THE MATTER of an application from Husky Energy Inc. to the Oil and Gas Commission dated May 19th, 2015 for Other Than Normal Spacing.

ORDER 15-06-001 Amendment #1 - OTN

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Mica Creek field – Doig “B” pool within the following area;

DLS Twp 81 Rge 13 W6M SW/4 Section 31

 Twp 81 Rge 14 W6M Section 36

 Twp 82 Rge 14 W6M SW/4 Section 1

- 2 Under section 65.1(3) of the *Petroleum and Natural Gas Act*, I specify the following:

- a) the target area for an oil well completed within the project area is not nearer than 100 m to the sides of the Other Than Normal Spacing area,
- b) an oil well completed outside the target area specified in paragraph (a) may be subject to an off-target production penalty,
- c) oil wells drilled within the specified project area are not subject to spacing requirements.



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

DATED AT the City of Victoria, in the Province of British Columbia, this 27th day of June 2016.