



October 30, 2013

0320-2700-59240-06

Victor Bond, P. Geol.  
Senior Geologist  
Northpoint Resources Ltd.  
920, 734– 7<sup>th</sup> Avenue S.W.  
Calgary AB T2P 3P8

Dear Mr. Bond:

**RE: GOOD ENGINEERING PRACTICE SPECIAL PROJECT  
OTHER THAN NORMAL SPACING ORDER  
ALTARES FIELD – GETHING “A” POOL**

The Commission has reviewed your application dated August 29, 2013, requesting approval of Good Engineering Practice for an area within the Altares field - Gething 'A' formation.

The GEP area being applied for is mapped adjacent to Altares Gething 'A' GEP Approval 11-06-044 but because of different ownership, a new GEP approval is required. While there are vertical wells in a high permeability streak in the Gething A pool running through both GEP areas, the low permeability sections are believed to require horizontal wells with multiple hydraulic fracture treatments. Northpoint is advised to ensure the fractures are sized to stay within the Gething formation. Gas recovery from the low permeability sections of this resource will benefit from the ability to produce horizontal wells in optimal locations.

The following Orders are attached;

- 1) Order 13-06-011 designating Good Engineering Practice within a portion of the Altares field Gething 'A' pool as a Special Project under section 75 of the *Oil and Gas Activities Act*, and
- 2) Order 13-06-011 -OTN approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject pool 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. No objections were received following notice of application on the OGC website.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Slocomb', is written over a horizontal line.

For Richard Slocomb, P.Eng.  
Deputy Commissioner, Engineering  
Oil and Gas Commission

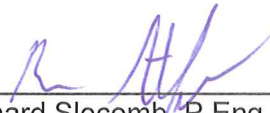
Attachments

IN THE MATTER of an application from Northpoint Resources Ltd. to the Oil and Gas Commission dated August 29, 2013 for a Good Engineering Practice project.

**ORDER 13-06-011**

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Altares field – Gething “A” pool is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

NTS 94-B-8 Block A Units 14, 15, 24, 25, 34, 35, 44, 45, 54, 55, 64, 65, 74, 75, 84, 85

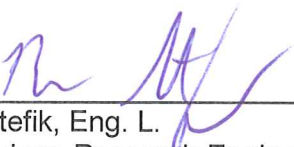
  
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For Richard Slocomb, P.Eng.  
Deputy Commissioner, Engineering  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 31<sup>st</sup> day of October 2013.

IN THE MATTER of an application from Northpoint Resources Ltd. to the Oil and Gas Commission dated August 29, 2013 for Other Than Normal Spacing.

**ORDER 13-06-011-OTN**

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Altares field – Gething “A” pool within the following area;  
NTS 94-B-8 Block A Units 14, 15, 24, 25, 34, 35, 44, 45, 54, 55, 64, 65, 74, 75, 84, 85.
- 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 250 m 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 31<sup>st</sup> day of October 2013.