

October 27, 2010

7600-4800-59240-09

Amanda White, P. Eng
Reservoir Engineer
Hunt Oil Company of Canada, Inc.
3100, 450 – 1st Street S.W.
CALGARY, AB T2P 5H1

Dear Ms. White:

RE: PRESSURE MAINTENANCE WATERFLOOD ORDER
RIGEL – HALFWAY“H” POOL

The subject pressure maintenance scheme approval #99-09-003 was granted June 25, 1999. An injectivity test conducted on A6-13-088-19W6 (WA# 11650) in October 1999 showed poor reservoir injectivity and discouraged waterflood development for the pool.

Please be advised that as of October 4, 2010, under the new *Oil and Gas Activities Act (OGAA)*, the scheme approval #99-09-003 has been replaced by a special project approval under Order 99-09-003 under Section 75 of OGAA.

Hunt Oil has been granted approval of a Pressure Maintenance Gas Injection scheme in the subject pool and therefore the Pressure Maintenance Waterflood scheme is no longer required. As such, Order 99-09-003 is hereby rescinded effective October 26, 2010.

Should you have any questions, please contact the undersigned at (250) 419-4421.

Sincerely,

Original Signed By

Alex Ferguson
Commissioner
Oil and Gas Commission

IN THE MATTER of Other Than Normal Spacing within the Rigel Halfway "H" Pool as described in the application form Hunt Oil Company of Canada Inc. (Hunt Oil) to the Commission dated August 4, 2010.

ORDER 10-13-001-OTN

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, I hereby approve Other Than Normal Spacing within the Rigel – Halfway "H" pool within the area described in the attached schedule.
- 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 in the Schedule attached.
 - b) an oil well completed outside the specified target area may be subject to an off-target production penalty,
 - c) oil wells drilled within the specified project area are not subject to spacing requirements.



Richard Slocomb
Supervisor, Reservoir Engineering
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 27th day of October 2010.

SCHEDULE, Order 10-13-001-OTN

Twp 88-Rge 18 W6M: sec 4, sec 5, sec 17-20

Twp 88-Rge 19 W6M: sec 13 and sec 24.