

Application for Good Engineering Practice

TAKE NOTICE that Progress Energy Ltd., 1200, 205 – 5th Avenue S.W., Calgary AB, T2P 2V7, has applied for Good Engineering Practice approval under section 75 (Special Projects) of the *Oil and Gas Activities Act* to produce gas from the Montney formation in the Jedney, Bubbles and Bubbles North field areas.

The area requested in the application is as follows:

NTS 94-G-1 Block J – 58-60, 68-70, 78-80, 88-90, 96-100 Block K – 32-35, 42-45, 51-53, 61-63, 71-73, 81-83, 91

NTS 94-G-8 Block B – Units 6-10, 12-20, 22-30, 32-40, 42-50, 54-60, 64-70, 74-80, 84-90, 96-100
Block C – Units 1, 11, 21, 31, 41, 51, 61, 71, 81, 91
Block F – Units 1
Block G – Units 6-10.

If no valid objection in writing is received by the undersigned by April 12th, 2012 the application may be approved subject to such conditions as may be prescribed.

Copies of the application may be obtained from the applicant. Any objection should be sent in writing to both the undersigned and the applicant.

Dated at Victoria, British Columbia this 22 day of March 2012.

Ron Stefik, AScT Sr Technical Advisor, Reservoir Engineering Oil and Gas Commission

Applicant Contact: Davin Yee (403) 539-1858

Victoria BC V8W 9N3