

**ACTION PLAN FOR ERCB DECISION 2008-135**

**HIGHPINE OIL & GAS LTD.**

**APPLICATIONS FOR THREE WELL LICENCES, PEMBINA FIELD**

ACTION ITEM	REQUIRED ACTION/COMMENTS	Decision 2008-135	ERCB PROCESS TO ENSURE FOLLOW-UP	STATUS & EVIDENCE
2 Amendments to the ERPs - Consultation	The Board directs that Highpine conduct further consultation with one specific family and report back to the Board on the arrangements arrived at and any changes that must be made to its ERPs prior to commencing drilling operations for the 1-16 and 9-17 wells.	Section 7.2.3 paragraph 1 page 24	<p>EPA Group to confirm and report to Facilities Applications Group that Highpine conducted further consultation with a specific family, and the 1-16 and 9-17 ERPs have been updated to reflect this.</p> <p>1. Highpine to update its ERP for the 1-16 well. ERP to be submitted to the Board and approved by the Board.</p> <p>2. Highpine to update its ERP for the 9-17 well. ERP to be submitted to the Board and approved by the Board.</p>	<p>Completed - Letter received May 7, 2009, confirming that additional consultation is complete. Letter contains confidential information and as such will not be posted as evidence.</p> <p>1. June 3, 2009 ERP for 1-16 well approved by the Board.</p> <p>2. June 3, 2009 ERP for 9-17 well approved by the Board.</p> <p>Date Evidence Received: 03-Jun-09</p>
3 Condition to the Well Licence - Nisku Formation Drilling Limitations	The Board directs Highpine to sequence the drilling of these three wells so that it is not drilling through the critical Nisku Formation on more than one well at the same time.	Section 7.2.3 paragraph 10 page 23	Drayton Valley Field Centre to confirm and report to Facilities Applications Group that drilling is sequenced as specified in the condition.	<p>Completed - 8-25 Spud date: June 17, 2009 Rig release date: July 2, 2009</p> <p>1-16 Spud date: July 17, 2009 Rig release date: July 20, 2009 Cased standing</p> <p>9-17 Not drilled</p> <p>Date Evidence Received: 24-Jun-10</p>

ACTION ITEM	REQUIRED ACTION/COMMENTS	Decision 2008-135	ERCB PROCESS TO ENSURE FOLLOW-UP	STATUS & EVIDENCE
3 Update ERPs	The Board directs that Highpine update its ERPs.	Section 7.2.3 paragraph 3 page 22	<p>EPA Group to confirm and report to the non-routine group, the following:</p> <ol style="list-style-type: none"> <li>1. Highpine to update its ERP for the 8-25 well. ERP to be submitted to the Board and approved by the Board.</li> <li>2. Highpine to update its ERP for the 1-16 well. ERP to be submitted to the Board and approved by the Board.</li> <li>3. Highpine to update its ERP for the 9-17 well. ERP to be submitted to the Board and approved by the Board.</li> </ol>	<p>Completed -</p> <ol style="list-style-type: none"> <li>1. April 2, 2009 ERP for 8-25 well approved by ERCB.</li> <li>2. June 3, 2009 ERP for 1-16 well approved by the Board.</li> <li>3. June 3, 2009 ERP for 9-17 well approved by the Board.</li> </ol>
4 Condition to the Well Licence - Nisku Formation Drilling Limitations	The Board directs Highpine to drill the 8-25 well first.	Section 5.3 paragraph 2 page 10	Drayton Valley Field Centre to confirm and report to Facilities Applications Group that the 8-25 well is drilled first. Non-routine contact to confirm spud dates.	<p>Completed -</p> <p>8-25 Spud date: June 17, 2009</p> <p>1-16 Re-entered July 17, 2010</p> <p>9-17 Licence cancelled Never drilled</p> <p>Date Evidence Received: 24-Jun-10</p>
5 Standby Buses	The Board directs that for the 8-25 well, standby busing will be provided during critical sour operations	Section 7.2.3 paragraph 9 page 23	Drayton Valley Field Centre to confirm and report to Facilities Applications Group that standby buses are in place during critical sour operations.	<p>Completed -</p> <p>Field Office confirmed that school was not in session during critical operations so standby busing was not required.</p> <p>Date Evidence Received: 25-Jun-10</p>
6 Condition to the Well Licences - H2S Testing	The Board directs that Highpine must also conduct an appropriate test to ascertain the H2S concentration in the Nisku Formation from the first successful well and submit these results to the ERCB prior to entering the Nisku Formation in any subsequent well approved pursuant to this decision.	Section 5.3 paragraph 2 page 10	ERCB to confirm that testing is completed and H2S concentrations are submitted to appropriate group for review.	<p>Completed - Letter received by Facilities Manager providing information on the 8-25 and 1-16 wells.</p>

ACTION ITEM	REQUIRED ACTION/COMMENTS	Decision 2008-135	ERCB PROCESS TO ENSURE FOLLOW-UP	STATUS & EVIDENCE
7 Condition to Well Licence - Nisku Formation Drilling Limitations	The Board directs that Highpine not conduct critical sour operations for the 1-16 well while the Tomahawk School is in session.	Section 7.2.3 paragraph 9 page 23	Drayton Valley Field Centre to confirm and report to Facilities Applications Group that critical sour operations for the 1-16 well are not conducted while the Tomahawk School is in session.	Completed - Spud date: July 17, 2009 Rig release date: July 20, 2009 Cased standing  Date Evidence Received: 24-Jun-10
8 Condition to the Well Licence - Nisku Formation Drilling Limitations	The Board directs that Highpine not conduct critical sour operations for the 9-17 well while the Tomahawk School is in session.	Section 7.2.3 paragraph 9 page 23	Drayton Valley Field Centre to confirm and report to Facilities Applications Group that critical sour operations for the 9-17 well are not conducted while the Tomahawk School is in session.	Completed - The 9-17 well was never drilled.  Date Evidence Received: 24-Jun-10

*The conditions imposed in approvals/licence(s) are monitored by the Alberta Energy Resources Conservation Board (ERCB). The ERCB has developed a process whereby an action plan is developed internally to ensure that ERCB staff monitor conditions arising from decision reports for compliance. The conditions are managed in an action plan that is updated quarterly with statuses of conditions. The action plan defines the action required, timeframes for completion, and a summary of the evidence provided to confirm a condition was met. For more information, please contact the Action Plan Administrator at (403) 476-4783.*