

NEWS RELEASE***FOR IMMEDIATE RELEASE*****ERCB ANNOUNCES CHANGES TO WELL SPACING FRAMEWORK**

Calgary, Alberta (October 6, 2011) The Energy Resources Conservation Board has issued *Bulletin 2011-29*, which advises of regulation amendments to change its well-spacing framework for conventional and unconventional oil and gas reservoirs. The changes allow for enhanced conservation of Alberta's oil and gas resources by enabling companies to optimize resource recovery, in a safe, efficient, and responsible manner that maximizes the benefit of the resources for all Albertans.

Well spacing relates primarily to the subsurface aspects of reservoir development and does not impact the rights of landowners with respect to surface development. ERCB requirements for development of all surface facilities, such as wells and pipelines, which include public notification requirements and allows landowners to participate in ERCB processes, remain unchanged.

Effective immediately, the ERCB has made four changes to its well-spacing framework:

- Subsurface well-density controls for coalbed methane and shale gas have been removed across Alberta, and in certain gas zones in southeastern Alberta.
- Baseline well densities have been increased from one well to two wells per pool per standard drilling spacing unit province-wide for conventional gas reservoirs.
- Centralized target areas for drilling spacing units will be standard throughout Alberta, with the exception of a specific area in southeast Alberta where corner target areas will be standard for gas reservoirs only.
- Regulation amendments have been implemented which decrease the complexity of the current spacing framework.

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This news release and *Bulletin 2011-29* are available on the ERCB Web site at www.ercb.ca.

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