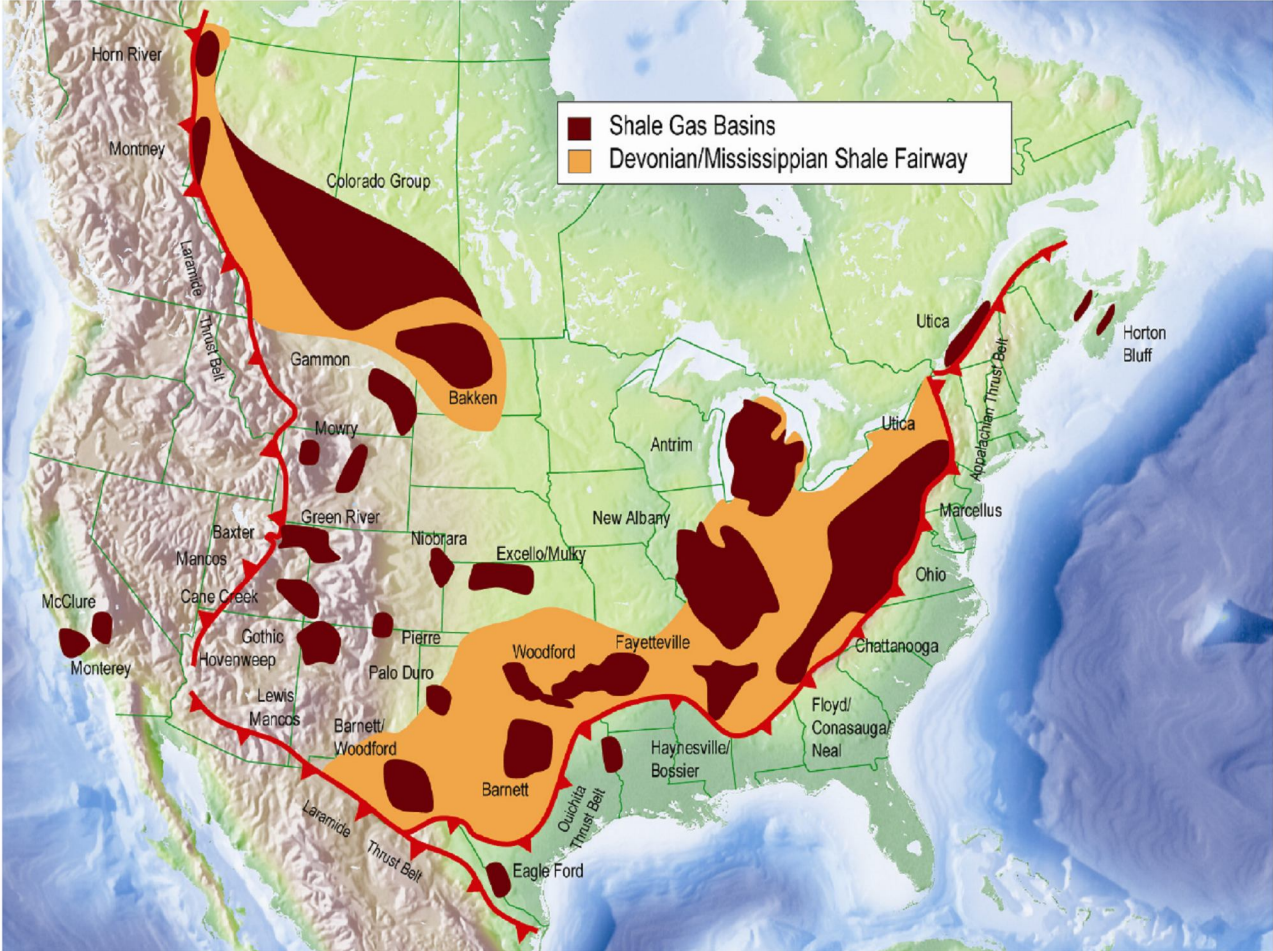
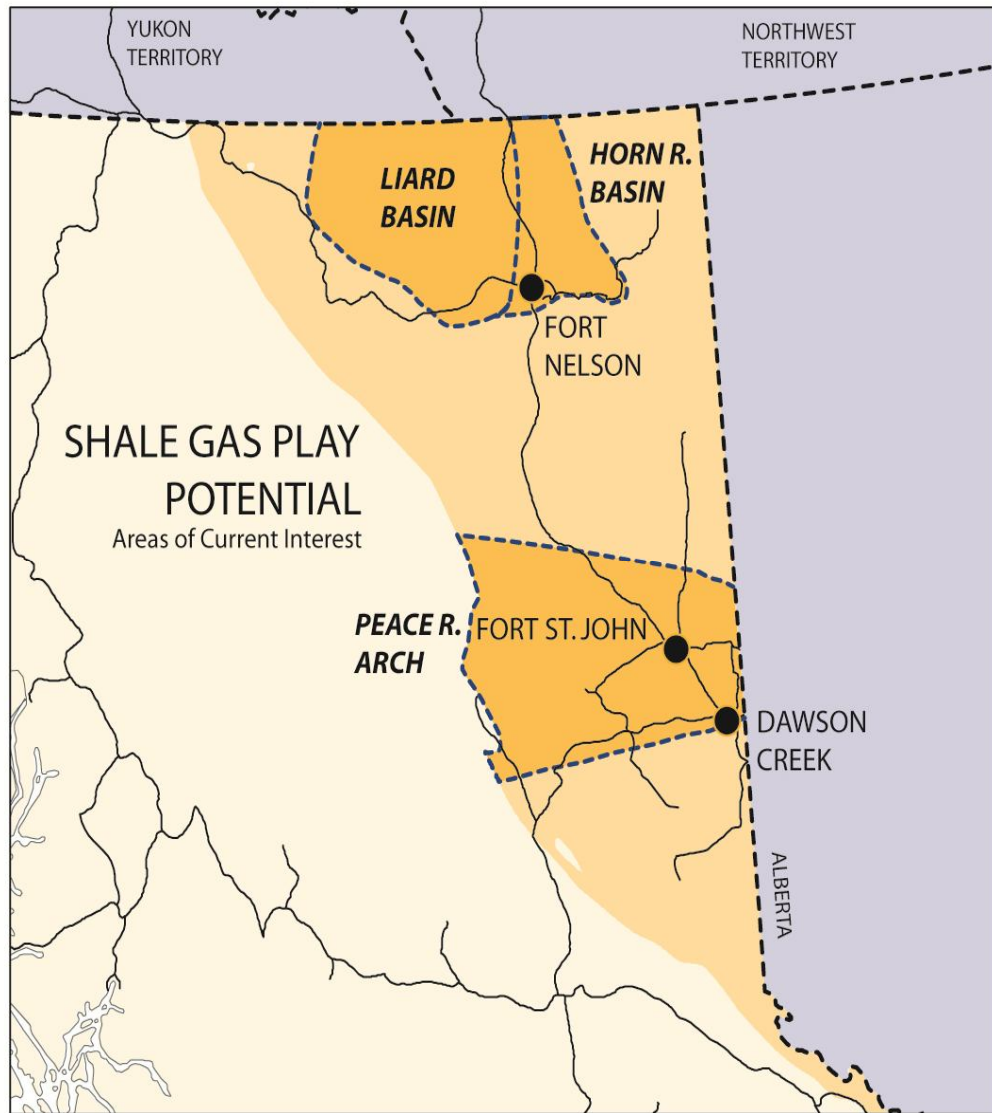


MAPS DEPICTING NATURAL GAS PLAY ZONES (CONVENTIONAL AND UNCONVENTIONAL NATURAL GAS)

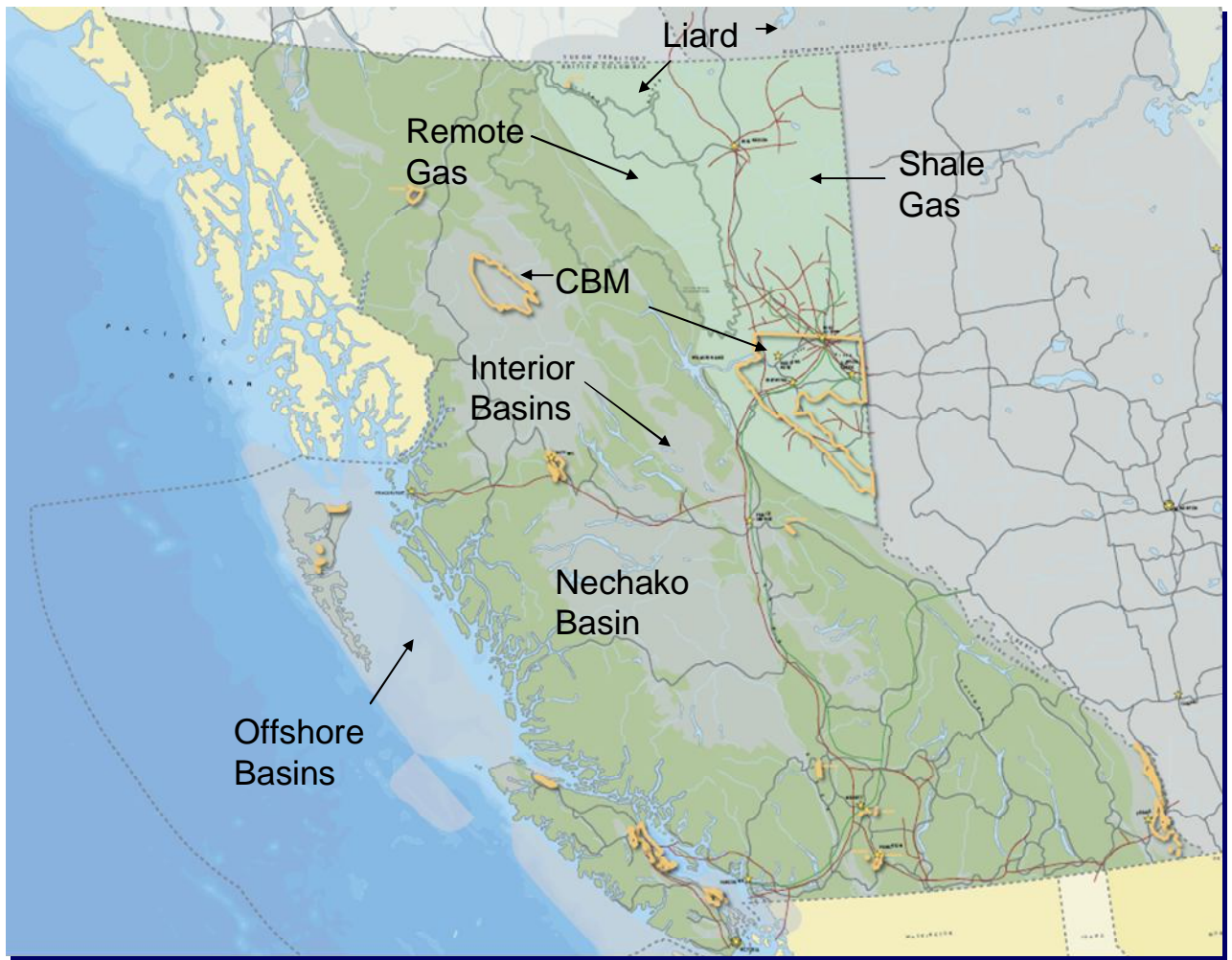
Figure 1: Shale Gas Plays of North America

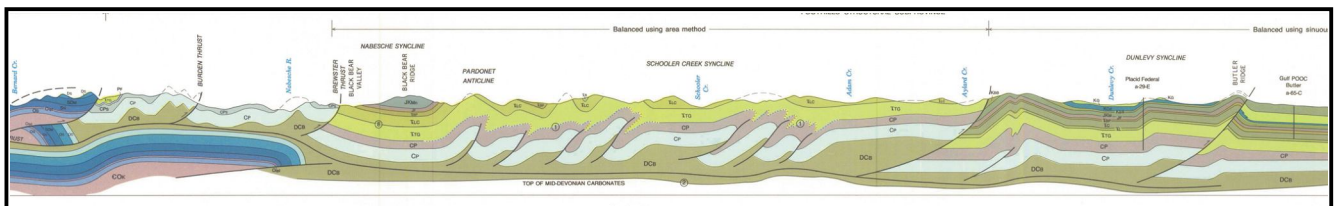
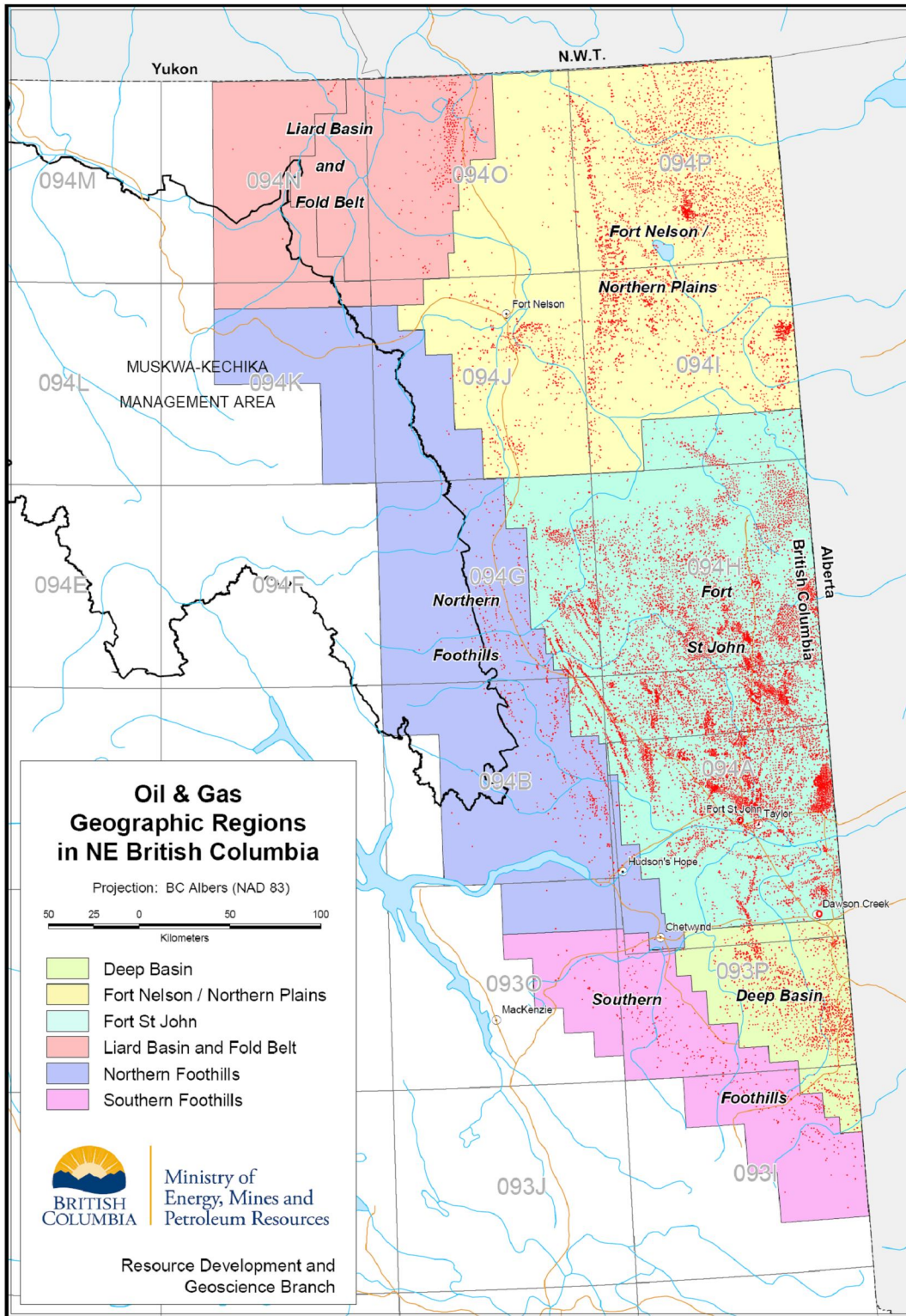


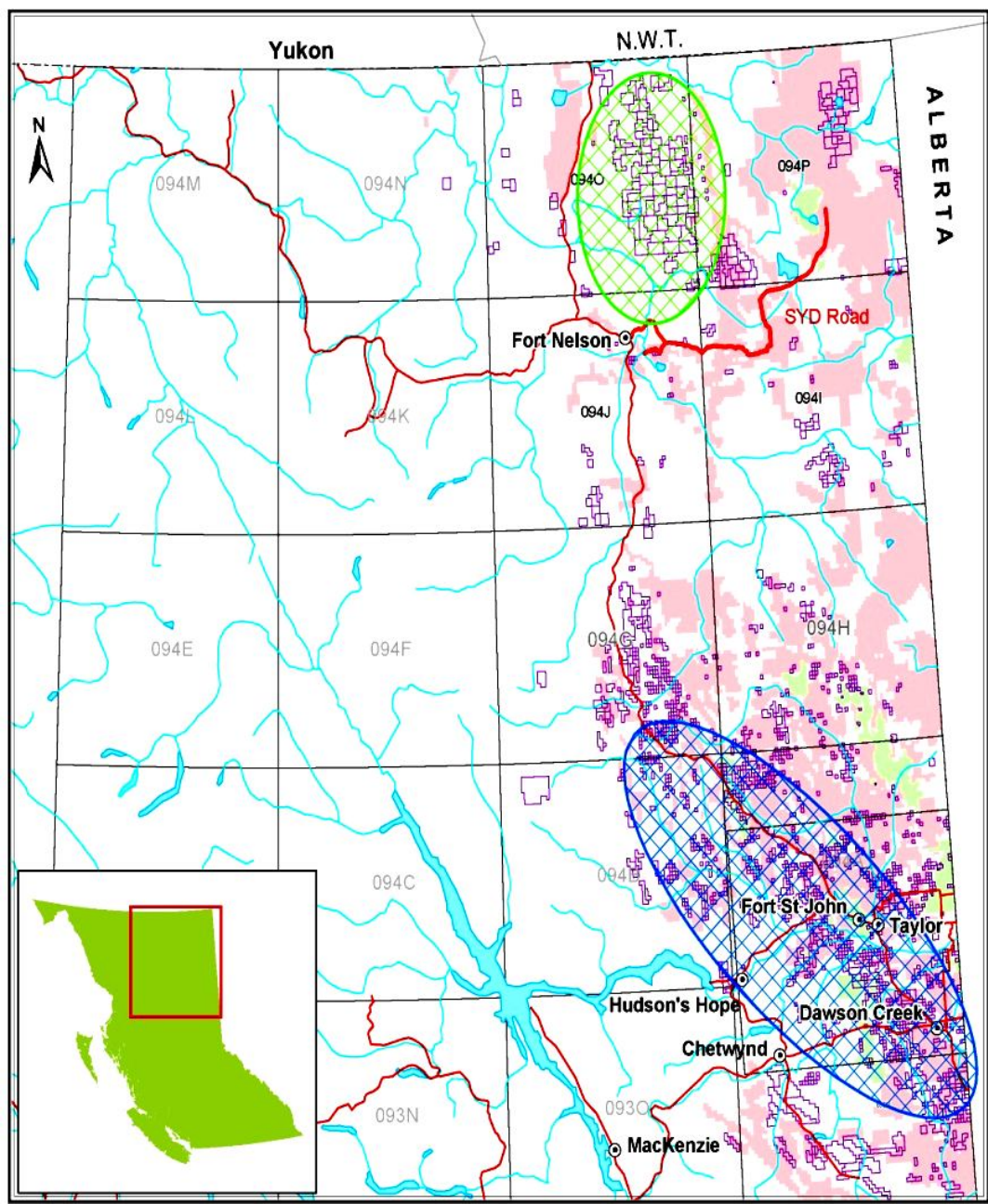
Source: Advanced Resources, SPE/Holditch Nov 2002 Hill 1991, Cain, 1994 Hart Publishing, 2008 modified from Ziff Energy Group, 2008.



The region is a relatively unexplored area situated immediately east of the Cordilleran Fold and Thrust belt. The region covers an area of approximately 1.25 million hectares and contains sedimentary strata of Cambrian to Upper Cretaceous age. Some of the potential hydrocarbon objectives include: Devonian Dunedin/Nahanni Formation, Mississippian Banff, Debolt, and Mattson formations and the Cretaceous Chinkeh.



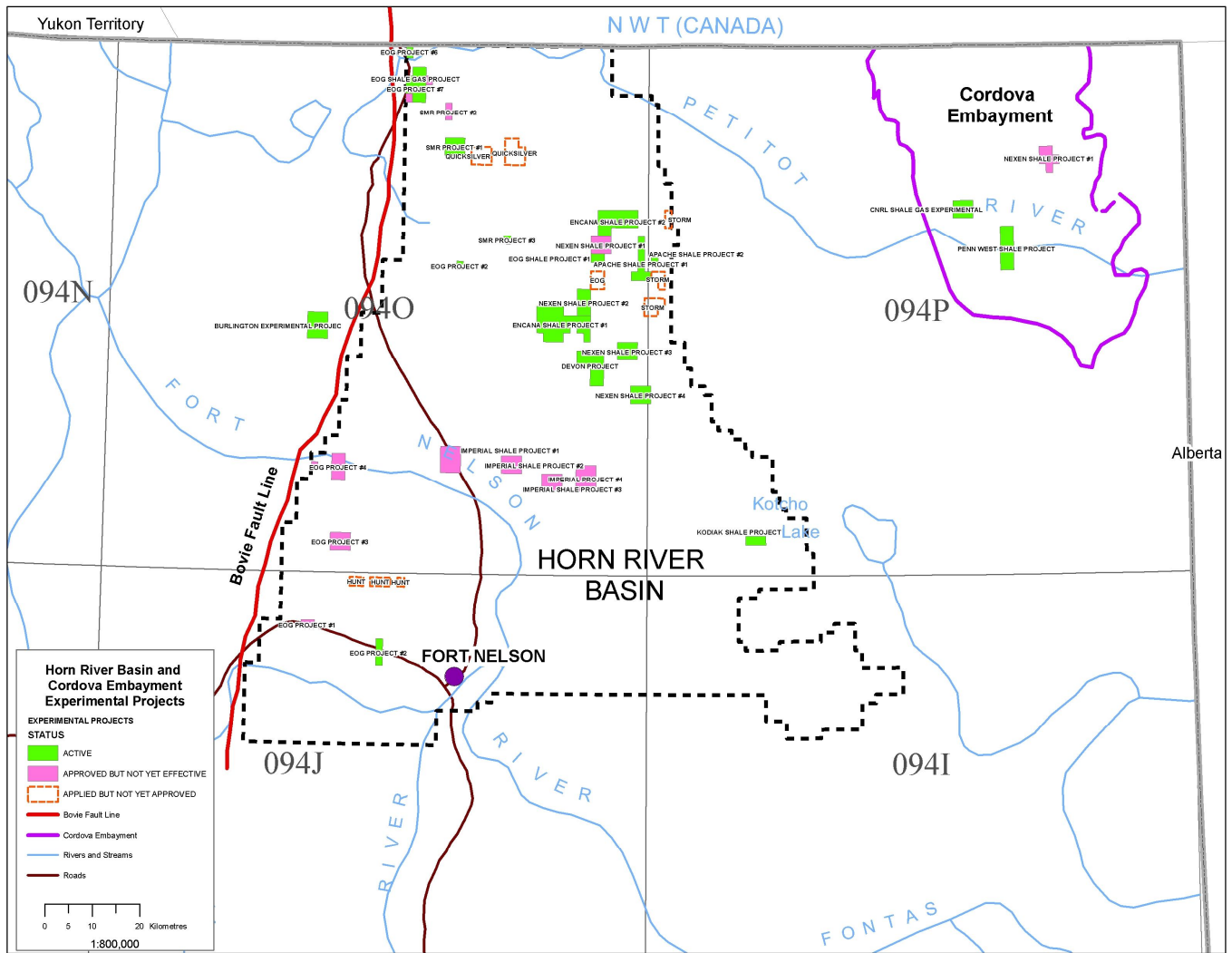


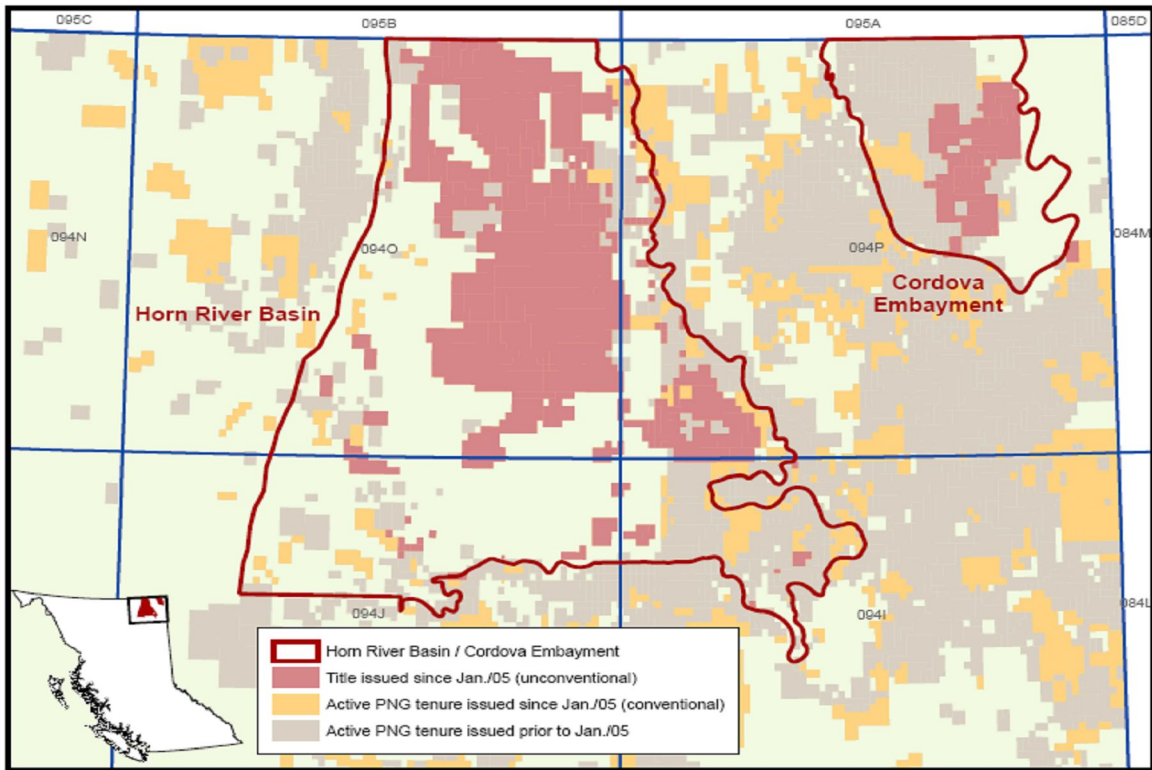


Shale Gas Regions.

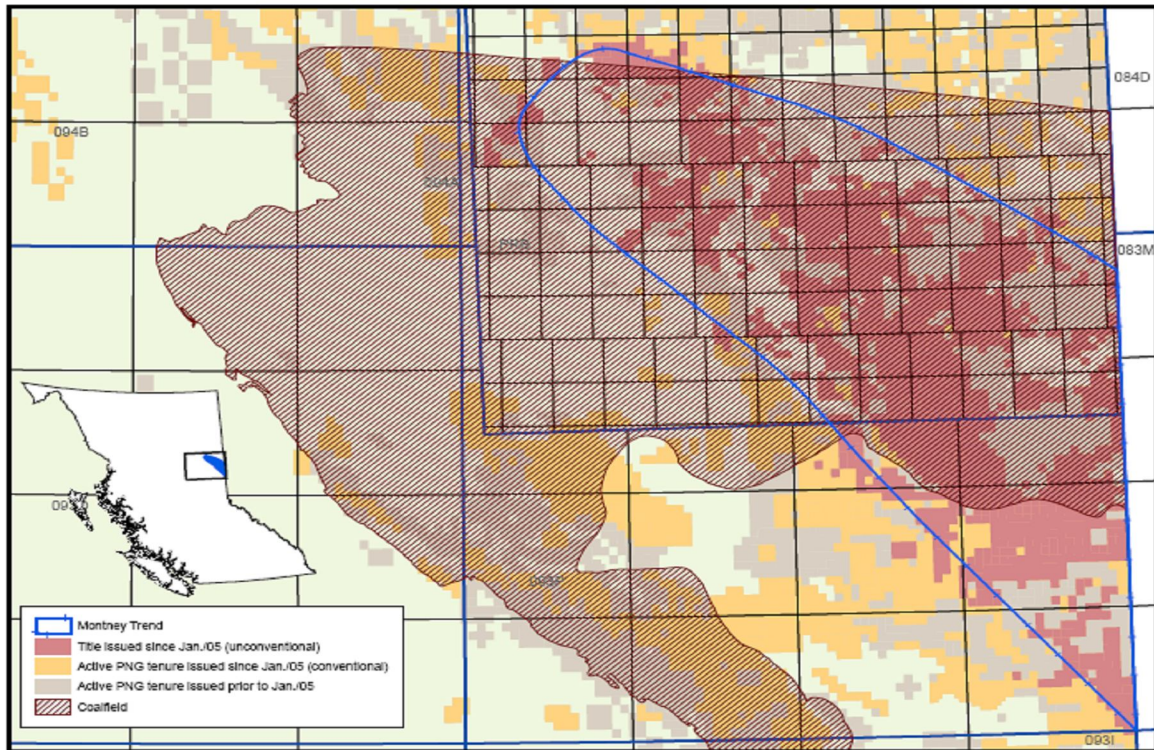
Horn River Basin (top green boundary line). Covers an area of approx. 1.3 million hectares (139 townships) north of Fort Nelson. Approximately 300 wells have been drilled in the Basin since the late 1950s. Several units now being tested in Lower Carboniferous and Upper Devonian strata.

Montney Play Region (bottom blue boundary line). The Triassic Doig and Montney formations are two zones in British Columbia that have potential for shale gas production. The Triassic Doig and Montney formations extend over 7 million hectares in northeast BC. Depth is in 400 to 4,400 metre range and up to 500 metres thick. The main Montney play trend covers approximately 1 million hectares (2.5 million acres) in the South Peace region. Proven production (Upper Montney) in the Dawson Creek/Fort St John area.

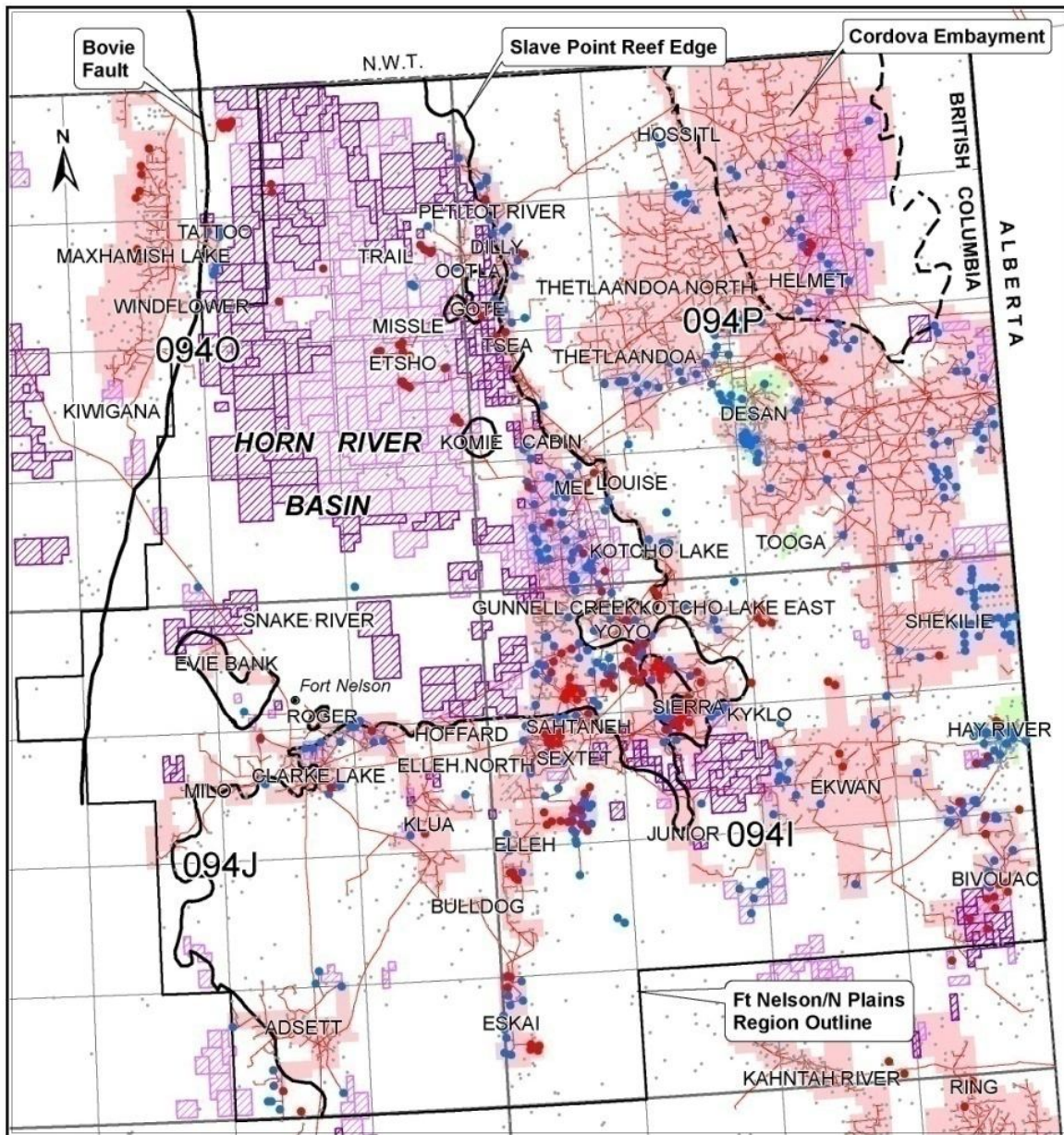




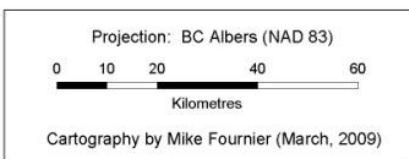
Horn River Basin & Cordova Embayment - conventional and unconventional gas tenures



Montney zone conventional and unconventional gas tenures



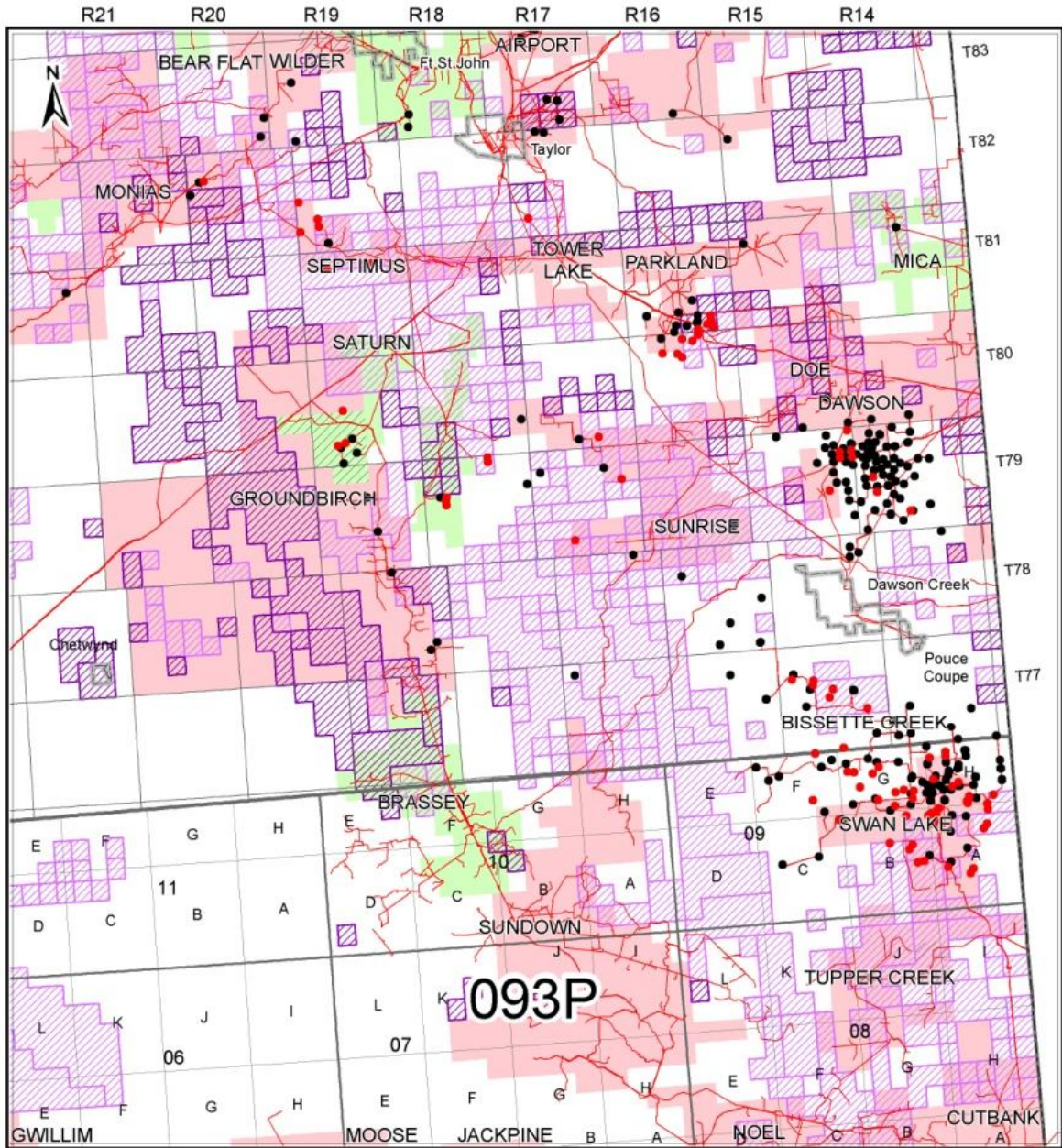
- Wells (Drilled in 2008)
- Wells (Drilled in 2006 & 2007)
- Wells - other
- Gas pipelines
- 2006 & 2007 Land sales
- 2008 Land sales
- Gas fields
- Oil fields



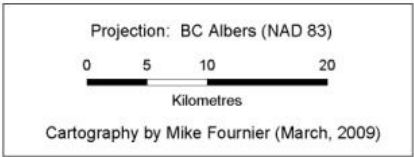
Horn River Basin Oil & Gas Activity

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- 2008 wells drilled with Montney production
- Wells drilled before 2008 with Montney production
- Oil & Gas pipelines
- ▨ 2006-2007 land sales
- ▨ 2008 land sales
- Gas fields
- Oil fields



Montney Production
'06-'08 Land Sold/Wells RR

Ministry of Energy, Mines and Petroleum Resources

Oil and Gas Division
 Resource Development and Geoscience Branch

