



Market Hub Partners Management Inc.

March 25, 2008

Ms. Kirsten Walli
Board Secretary

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: Sarnia Airport Storage Pool Project Application (EB-2008-0002)
Market Hub Partners Management Inc. and AltaGas Ltd.
On behalf of Sarnia Airport Storage Pool Limited Partnership (the "Applicant")

To assist the Board, enclosed are maps illustrating the location of properties owned, in whole or in part, by Mr. Peter Bernardi (Attachment 1 – Bernardi Property), Mr. Tom Rocca and Ms. Loretta Rocca (Attachment 2 – Rocca Property), and Mr. Roger Thurston (Attachment 3 – Thurston Property). The ownership of these properties is not shown on any of the mapping included in the Pre-filed Evidence. The Applicant has identified these properties through title search and through correspondence with the property owner.

Some questions have been raised with respect to the location of the proposed Sarnia Airport Pool Designated Storage Area ("DSA") boundary. A DSA is established to protect a storage reservoir from future third party drilling and other subsurface activities. A DSA should represent a reasonable balance between the protection of the storage reservoir from other subsurface activities and the retention of as much land as possible for future oil and gas exploration and drilling. Typically a DSA is established to provide a minimum buffer zone of 40 metres to 60 metres beyond the maximum probable extent of the A1 Carbonate porosity. The Ministry of Natural Resources ("MNR") requests that drilling tract boundaries be used whenever possible in establishing a DSA. Distances from the maximum probable extent of the A1 Carbonate porosity to the proposed Sarnia Airport Pool DSA boundary are shown in Schedule 5-17 of the Pre-filed Evidence.

To provide further clarity with respect to how the proposed Sarnia Airport Pool DSA boundaries were determined, the Applicant has attached mapping (Attachment 4 – DSA One Drilling Tract Smaller) which illustrates in red what size the Sarnia Airport Pool DSA would be if it were one drilling tract smaller than proposed in Schedule 5-17.

North, South and West Side of the DSA

This smaller DSA intersects the maximum probable extent of the A1 Carbonate porosity on its north, south and west sides and is clearly not adequate to protect the storage reservoir. Moving the DSA boundary to the next drilling tract in these directions provides a minimum buffer distance to the maximum probable extent of the A1 Carbonate porosity of 225 metres on the north side, 305 metres on the south side and 173 metres on the west side. No further buffer zone is

necessary and the proposed Sarnia Airport Pool DSA boundary has been established accordingly on the north, south and west sides.

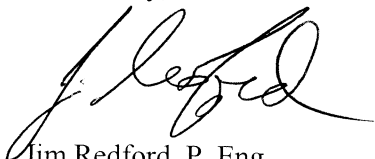
East Side of the DSA

While the smaller DSA does not intersect the maximum probable extent of the A1 Carbonate porosity on the east side, the buffer zone would be as little as 38 metres. Since this buffer zone is less than 40 metres and existing well HS.1 had a small oil show, the Applicant proposed and the MNR agreed that portions of the east side of the DSA boundary should be extended to the next drilling tract. This created a minimum buffer distance of 126 metres. No further buffer zone is necessary and the proposed Sarnia Airport Pool DSA boundary has been established accordingly on the east side.

The proposed Sarnia Airport Pool DSA boundary provides an appropriate balance between the protection of the storage reservoir from other subsurface activities and the retention of as much land as possible for future oil and gas exploration and drilling. The MNR has reviewed and approved the proposed Sarnia Airport Pool DSA boundary. Accordingly, the Applicant submits that the proposed Sarnia Airport Pool DSA boundary is appropriate.

If you have any questions, please do not hesitate to contact me.

Yours truly,



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Vice-President

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encl.

cc.

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D'Arcy D. W. Bell

Tom & Loretta Rocca

Peter & Andreina Bernardi

Roger Thurston

(Bennett Jones)

(George Murray Shipley Bell)