

June 6th, 2013

Ministry of Natural Resources Petroleum Operations Section 659 Exeter Road London, Ontario N6E 1L3

JUN 11 2013 ULEUM RESOURCES MINISTRY OF NATURAL RESOURCES

Attention: Joe VanOverberghe – Manager

Subject: TKC # 63, Moore 6-18-VIII; Well Licence Number 12161

Enbridge Gas Distribution Inc. (EGDI) is requesting permission to move the well location and to extend the expiry date of Well Licence Number 12161 or that the Ministry grant a new well licence for the revised location.

The reasons for these requests are outlined below:

- 1. EGDI is requesting permission to move the well location 8.7 metres north of the original surface location, with the east coordinate remaining the same.
 - a. The landowner, Mr. Oliver Smith, has recently requested that the well location be moved to better facilitate his changing farming operations. When the well was originally staked, Mr. Smith had requested that we position the well a few metres to the south of his existing driveway, as the area was in pasture and it would allow better movement of farming equipment. Mr. Smith has since taken the field out of pasture and planted it with a crop and he has asked us to move the well site as close to his fence line as feasible, to minimize disruption to his farming activities.
 - b. The proposed well location remains within the boundaries of the Kimball-Colinville Designated Storage Area and the geological prognosis and the drilling program will remain the same. To support our request, a revised survey and Form 1 are attached.
- EGDI is requesting an extension to Well Licence 12161 expiry date of July 9, 2013 to December 31, 2013 or if this is not possible, to issue a new licence to drill for TKC #63, Moore 8-18-VIII.
 - a. Although Section 3 (4) of Ontario Regulation 245/97 provides a 90 day extension if drilling operations have commenced, EGDI does not believe that we can spud the well prior to the expiry date of July 9, 2013. This date presents a challenge for us as, prior to moving any equipment onto the site, approximately 1 to 2 weeks of preparatory work must be done. To minimize land damage and to allow for better remediation, a gravel pad is built to accommodate the drilling equipment. Prior to installation of the gravel, the site must be prepared by stripping and piling the topsoil, locating and rerouting the field tile and laying geotextile matting, all of which must be done in dry weather.

Because the weather is unpredictable, there is no guarantee that the pad would be built, the rig moved onto location and the drilling operations commenced before the expiry date of the existing Well Licence.

- b. If permission is granted to move the well location, construction of the drilling pad would commence as soon as weather conditions allowed. When the pad is completed, the cable tool rig would be moved onto the site and drilling operations would commence.
- c. Based on past experience, the cable tool rig should be able to complete the drilling of the TKC #63 well by December 31, 2013.

If you require any further information or if you wish to discuss these matters, please contact me at the numbers indicated below.

Yours truly,

Ollaconne

Kathy McConnell, P.Geo. Phone: 519-862-6032 Cell: 519-312-2168

Enclosures: Form 1 (2 copies) Revised Plan of Proposed Well (2 copies)

cc J. Manocha, Ministry of Natural Resources – Petroleum Operations Section cc K. T. Godsoe, Ministry of Natural Resources – Petroleum Operations Section