

January 15, 2004

7780-2600/4610-59070-20 OGC – 04013

Jason Tauber, E.I.T. NE BC Reservoir Engineering Anadarko Canada Corporation P.O. Box 2595 Stn M Calgary AB T2P 4V4

Dear Mr. Tauber:

RE: APPROVAL FOR COMMINGLED PRODUCTION ACEC ET AL SILVER d-A83-C/94-H-11; WA# 12890

The Commission has reviewed your application dated December 4, 2003 for approval to commingle gas production from the Bluesky and A Marker zones encountered in the subject well.

The Commission designates the gas pools under application to be the Silver – Bluesky "A" and A Marker "A".

The Bluesky "A" pool is being produced by multiple wells and has depleted a significant portion of the expected reserves. The A Marker "A" pool is currently completed in a single well capable of production, which has never produced, however limited gas reserves are expected. Both pools contain sweet gas. Commingled production is expected to increase the productive life of this well, thereby increasing recoverable reserves. An off-target penalty waiver order was issued January 9, 2004 for this well.

We wish to advise you that your application to commingle production from these zones is hereby granted approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Bluesky (1020.0 1024.5 mKB) and A Marker (1067.5 1070.5 mKB) formations may be commingled.
- 2. Gas, water and condensate production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the basis of Bluesky 70 % and A Marker 30%. The allocation factors may be amended to reflect results of any future tests.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,	Approval Letters to Industry COMMINGLED PRODUCTION	
RS Attariguela REna	Сор	y 8   Wellfile (originals)   59070-20
Supervisor		Daily Resource Revenue R. Stefik
Reservoir Engineering		G. Farr P.S. Attariwala D. Krezanoski
RESOURCE CONSERVATION BF	L	1

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