



June 8, 1998

File: 5850-4100-59070-20
Ref.: 980484

Mr. Will Yakymyshyn, P. Eng.
Engineer, Exploitation
Anderson Exploration Ltd.
1600, 324 - 8th Avenue S.W.
Calgary, AB T2P 2Z7

Dear Mr. Yakymyshyn:

RE: APPLICATION FOR COMMINGLED PRODUCTION
ARL APACHE MARTIN c-28-H/94-H-6; WA# 10229

Copies for Approval Letters (8)
Commingled Production
Resource Revenue.

	G. Miltenberger
	P. S. Attariwala
✓	R. G. Stefik
	G. Farr
	Wellfile (originals)
	59070-20
	Daily

The Ministry has reviewed your application dated April 20, 1998, requesting permission to commingle gas production from the Bluesky 'J' and Baldonnel 'I' pools encountered in the subject well.

Reservoir pressure and fluid composition are similar for the two pools. Commingling approval is granted as both zones are in pressure communication behind pipe possibly as a result of a fracture stimulation. Due to the large relative difference in reserves associated with these two pools, depletion of the Bluesky "J" pool must be reflected in production allocation.

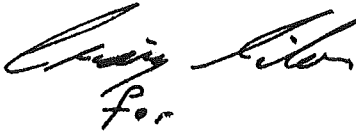
We wish to advise you that your application to commingle production from these two formations is hereby approved, under the authority of section 44 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Bluesky (1112 - 1115 mKB) and Baldonnel (1134 - 1143 mKB) formations may be commingled.
2. Gas, condensate and water production should be allocated on the BC S-1 and BC S-2 forms on the basis of Bluesky 50% and Baldonnel 50%, until gas production from the Bluesky pool has reached a volume of 20 e⁶m³, after which production should be reported as Baldonnel 100%.

.../2

3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

A handwritten signature in cursive script, appearing to read "B. van Oort". Below the signature, the word "For" is written in a smaller, simpler script.

B. van Oort, P. Eng.
Director
Engineering and Operations Branch