



June 8, 1998

File: 8260-4100-59070-20
Ref.: 980485

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

Copies for Approval Letters (3)
Commingled Production
Resource Revenue.

- | | |
|-------------------------------------|----------------------|
| <input type="checkbox"/> | G. Miltenberger |
| <input type="checkbox"/> | P. S. Attariwala |
| <input checked="" type="checkbox"/> | R. G. Stefik |
| <input type="checkbox"/> | G. Farr |
| <input type="checkbox"/> | Wellfile (originals) |
| <input type="checkbox"/> | 59070-20 |
| <input type="checkbox"/> | Daily |

Dear Mr. Yakymyshyn:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
ANDERSON WARGEN d-a59-H/94-H-6; WA# 10967**

The Ministry has reviewed your application dated April 21, 1998, requesting permission to commingle gas production from the Bluesky 'B' and Baldonnel 'D' 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 possibly in pressure communication behind pipe. Due to the large relative difference in reserves associated with these two pools, depletion of the Bluesky 'B' 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:

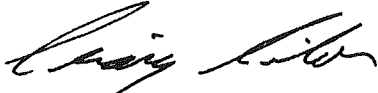
1. Production from the Bluesky (1067.5 - 1070.5 mKB) and Baldonnel (1111 - 1119 mKB) formations may be commingled.
2. Gas, condensate and water production should be allocated on the BC S-1 and BC S-2 forms on the basis of Bluesky 40% and Baldonnel 60%, until gas production from the Bluesky has reached a volume of 55 e⁶m³, after which production should be reported as Baldonnel 100%.

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

Sincerely,



For

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