



October 25, 2006

5860-4800/4900-59070-20

Wayne Pethrick
Reservoir Engineering Consultant
Bear Ridge Resources Ltd.
Suite 2200, 330 – 5 Avenue SW
Calgary, Alberta T2P 0L4

Dear Mr. Pethrick:

RE: APPLICATION FOR COMMINGLED PRODUCTION
BEAR RIDGE MICA 02-23-081-14 W6M; WA# 20871

The OGC has reviewed your application dated September 29, 2006, requesting approval to commingle gas production from the Halfway and Doig formations in the subject well.

The Commission has designated the gas pools under application to be the Mica – Halfway “A” and Doig “C”.

Both zones have been mapped as single well pools. The Halfway was completed in April 2006 and tested at $10.0 \times 10^3 \text{ m}^3/\text{d}$. The Doig was also completed in April and tested at $3.0 \times 10^3 \text{ m}^3/\text{d}$. Neither zone has been on continuous production. The Commission believes that commingled production will result in increased reserves recovery. Both zones are sour gas with similar initial reservoir pressures.

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 Halfway (1626.0 – 1629.0 mKB) and Doig (1648.0 – 1651.0, 1704.5 – 1707.5 mKB) zones may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Small Business and Revenue BC S-1 and BC S-2 forms on the basis of Halfway 70 % and Doig 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.

Should you have any questions, please contact the undersigned at (250) 952-0366.

Sincerely,

Richard Slocomb, P. Eng.
Supervising Reservoir Engineer

RESOURCE CONSERVATION BRANCH

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