December 23, 1999

4600-4560/4575-59070-20 OGC-990585

Ms. Linda McKean Reservoir Engineer Berkley Petroleum Corp. 1250, 202 - 6<sup>th</sup> Avenue S.W. Calgary AB T2P 2R9

Dear Ms. McKean:

RE: APPLICATION FOR COMMINGLED PRODUCTION BERKLEY ET AL HALFWAY 14-11-87-25; WA# 1986

The Commission has reviewed your application dated December 2, 1999, requesting permission to commingle oil and related gas production from the Blueberry "A" and Inga "A" pools encountered in the subject well.

Both intervals would appear to offer marginal economic production and are somewhat sour. Commingling would increase the producing life of the well, which produces at low rates from the pools, thereby increasing the recoverable reserves. We wish to advise you that your application to commingle production from these pools is hereby approved, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Blueberry (1387.2 1389.9 mKB) and Inga (1405.7 1407.6 mKB) zones may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Blueberry 50% and Inga 50%.
- 3. Commingled production is limited to a daily oil allowable (DOA) of 20.0 m<sup>3</sup>, the sum of the minimum DOA entitlements for each pool, and is subject to a GOR adjustment factor as prescribed in Schedule 2 of the *Regulation*.
- 4. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

B. van Oort, P. Eng.

Director

Engineering and Geology Branch