



December 17, 2004

Approval Letters to Industry  
COMMINGLED PRODUCTION

9000-2700/2800/2850-59070-20

Copy 8

OGC - 04354

Bill Partridge, P.Eng.  
Foothills Exploration & Development  
Burlington Resources Canada Ltd.  
PO Box 4365, Postal Station C  
CALGARY, AB T2T 5N2

- Wellfile (originals)
- 59070-20
- Daily
- Resource Revenue
- R. Stefik
- G. Farr
- R Slocomb
- D. Krezanoski

Dear Mr Partridge:

**RE: APPLICATION FOR INTERIM COMMINGLED PRODUCTION APPROVAL  
BRC HTR et al Hiding b-20-F/93-I-16; WA# 16929**

The OGC has reviewed your application dated November 26, 2004, for interim approval to commingle gas production from Bluesky/Gething, Cadomin and Nikinassin formations in the subject well.

Several wells in the Ojay and Hiding areas have been granted approval for commingled production from the Cadomin and Nikinassin zones in an effort to achieve economic production from these tight formations while enabling additional production from shallower more conventional reservoirs. The Bluesky/Gething was also included for commingled production in Burlington's d-57-C/93-I-16 location due to its limited reservoir extent. All three zones are expected to contain sweet gas at similar reservoir pressures. The Cadomin and Nikinassin zones have typically been commingled in this area in order to optimize production and recovery. Therefore commingling of the Cadomin and Nikinassin zones is expected to be beneficial. However there is very little information on the Bluesky/Gething zone in this area and as such, strict conditions will need to be met prior to final approval to commingle all three zones.

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

1. A production test must be completed to establish the AOF and initial reservoir pressure for each of the three productive zones, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
2. A formal application for commingled production must be submitted, prior to commencement of commingled production, with supporting test data, gas analysis and proposed allocation factors for production reporting both gas and liquids.
3. Should zone productivity from any of these zones exceed a gas rate of 60 10<sup>3</sup>m<sup>3</sup>/d, segregated production may be required.
4. Formal approval for commingled production **will not** be authorized until all of the conditions above have been met.

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**RESOURCE CONSERVATION BRANCH**

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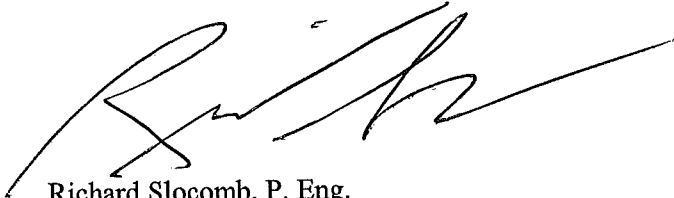
Headquarters: #200, 10003 110<sup>th</sup> Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744  
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December 17, 2004  
OGC 04354

Page 2

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Slocomb', written in a cursive style.

Richard Slocomb, P. Eng.  
Supervisor  
Reservoir Engineering