



April 18, 2005

4780-2200/2520-59070-20
OGC – 05129

Greg Barham
Deep Basin Engineering
Burlington Resources Canada Ltd.
2100 Bow Valley Square IV,
250 – 6th Avenue SW
CALGARY AB, T2P 3H7

**Approval Letters to Industry
COMMINGLED PRODUCTION**

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<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	R Slocomb
<input type="checkbox"/>	D. Krezanoski

Dear Mr Barham:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
BRC HTR et al Hiding c-44-J/093-I-16; WA# 10535**

The OGC has reviewed your application dated March 31, 2005, for approval to commingle gas production from the Cadotte and Falher D formations in the subject well.

The Commission has designated the gas pools under application to be the Hiding Creek – Cadotte “J” and Falher D “D”. The Falher D has been mapped as a single well pool and has never been on production however it did flow at 7.2 10³ m³/d on test. The Cadotte is mapped as a three well pool. The Cadotte zone in the subject well has been on production since February 2000 and is currently producing at 6.7 10³m³/d. It is expected that commingled production will extend the productive life of the Cadotte zone and maximize production and reserve recovery from both zones. Both zones are sweet gas. Although both zones do not have similar pressures a sliding sleeve is in place to enable segregation for the duration of any extended shut-in period.

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 Cadotte (2476.0 – 2479.0 mKB) and Falher D (2704.0 – 2709.0 mKB) formations may be commingled.
2. Gas, water and condensate production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the basis of Cadotte 50 % and Falher D 50 %. The allocation factors may be amended to reflect results of any future tests.
3. A current reservoir pressure from the Cadotte zone must be measured prior to commingling.
4. 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.
Supervisor, Reservoir Engineering

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St. Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744
www.ogc.gov.bc.ca