



April 22, 2005

4780-2200/2520-59070-20  
OGC - 05135

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

Approval Letters to Industry  
COMMINGLED PRODUCTION

Copy 8

<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 d-100-H/093-I-16; WA# 11088**

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 "C" and Falher D "A". The Falher D has been mapped as a seven well pool, with four wells currently on production. The Cadotte has been mapped as a four well pool. The Falher D in the subject well commenced production February 2000, however high pipeline pressures resulted in poor productivity and the zone was shut-in December 2001. The Cadotte zone in the subject well was put on production in January 2005 and was shut-in two months later due to poor productivity, even after compression was added. Despite good initial testing, the Cadotte appears to be a tight, limited reservoir. Therefore it is expected that commingled production will extend the productive life of the Cadotte zone while maximizing production and reserve recovery from both zones. Both zones are sweet gas with similar 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 Cadotte (2436.0 - 2445.0 mKB) and Falher D (2638.0 - 2643.0 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 15 % and Falher D 85 %. 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.  
Supervisor, Reservoir Engineering

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