



July 27, 2004

4780-2200/2400-59070-20
OGC - 04229

Darryl Krobel, E.I.T.
Reservoir Engineer, Deep Basin
Burlington Resources Canada Ltd.
PO Box 4365, Postal Station C
CALGARY AB, T2T 5N2

Dear Mr Krobel:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
BRC HTR et al Hiding a-41-F/093-I-16; WA# 14185**

The OGC has reviewed your application dated May 13, 2004, for approval to commingle gas production from the Cadotte and Notikewin formations in the subject well.


The Commission has designated the gas pools under application to be the Hiding Creek – Cadotte “G” and Notikewin “B”. The Cadotte has been mapped as a three well pool and has been on production since December 2001. The Cadotte in the subject well is currently producing at 33.2 10³ m³/d. The Notikewin is a four well pool with production from the subject well being shut-in for the past two years due to liquid loading problems. The Cadotte has recently been shut-in to re-commence production from the Notikewin. The current production rate from the Notikewin is 20 10³m³/d, however it is anticipated that this rate will decline quickly over a short period of time. Therefore commingled production is expected to maximize production and recovery from the Notikewin zone. 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 (2246.0 – 2251.0 mKB) and Notikewin (2327.0 – 2330.0 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 75 % and Notikewin 25 %. The allocation factors may be amended to reflect results of any future tests.
3. A current reservoir pressure of the Cadotte zone is 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.
Sr. Reservoir Engineer

**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"/>	P.S. Attariwala
<input type="checkbox"/>	D. Krezanoski
<input checked="" type="checkbox"/>	R. SLOCOMB

RESOURCE CONSERVATION BRANCH

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