



OIL AND GAS COMMISSION

June 9, 2004

4780-2200/2400-59070-20
OGC - 04197

Darryl Krobel
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 Hiding d-039-G/093-I-16; WA# 13803**

The OGC has reviewed your application dated May 20, 2004, for approval to commingle gas production from the Cadotte and Upper 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” pools. The Notikewin has been mapped as a three well pool while the Cadotte is a two well pool. The Notikewin zone commenced production at 30x10³m³/d and had declined to 4x10³m³/d prior to being shut-in. The Cadotte is currently producing up the tubing at 28x10³m³/d and due to liquid loading problems cannot produce up the annulus. Commingled production approval is expected to maximize production and recovery from these two zones. Both zones are sweet gas. Although both zones do not have similar pressures Burlington has committed to maintaining a sliding sleeve 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 (2303.5 – 2306.5 mKB) and Notikewin (2397.0 – 2405.0 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 85 % and Notikewin 15%. The allocation factors may be amended to reflect results of any future tests.
3. The current reservoir pressure of the Notikewin 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) 952-0311 or Richard Slocomb at (250) 952-0366.

Sincerely,

FOR

Peter Attariwala, P. Eng.
Supervisor
Reservoir Engineering

**Approval Letters to Industry
COMMINGLED PRODUCTION**

Copy 9

- Wellfile (originals)
- 59070-20
- Daily
- Resource Revenue
- R. Stefik
- G. Farr
- P.S. Attariwala
- D. Krezanoski
- R: SLOCOMB

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