



December 6, 2005

4780-2545/2800-59070-20

OGC – 05344

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

**Approval Letters to Industry
COMMINGLED PRODUCTION**

Copy 8

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

Dear Mr Renwick:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
BRC HTR et al Hiding d-49-G/093-I-16; WA# 15456**

The OGC has reviewed your application dated July 14, 2005, for approval to commingle gas production from the Falher G and Cadomin formations in the subject well.

The Commission has designated the gas pools under application to be the Hiding Creek – Falher G “A” and Cadomin “B”. Both zones have been mapped as two well pools. The Falher G has been on production since October 2003. This zone is no longer capable of flowing above the critical lift rate however it continues to produce intermittently, up the annulus, at 25.4 10³ m³/d. Rate Transient Analysis indicates that the Falher G in the subject well has limited reserves. The Cadomin has been on production since October 2003 and is currently producing at 33.3 10³ m³/d with a very shallow decline. Decline analysis and flowing material balance analysis suggest that the Cadomin pool is larger than currently mapped. The Cadomin zone in the subject well has an estimated OGIP between 150.0 and 200.0 10⁶ m³. Commingled production is expected to extend the productive life of the Falher G zone while maximizing production and reserve recovery. Both zones are sweet gas. Although the reservoir pressures of both zones are dissimilar, the well is equipped with a sliding sleeve so that both zones can be segregated 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 Falher G (2660.0 – 2664.0 mKB) and Cadomin (2951.0 – 2954.0 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 Falher G 20 % and Cadomin 80 %. The allocation factors may be amended to reflect results of any future tests.

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RESOURCE CONSERVATION BRANCH

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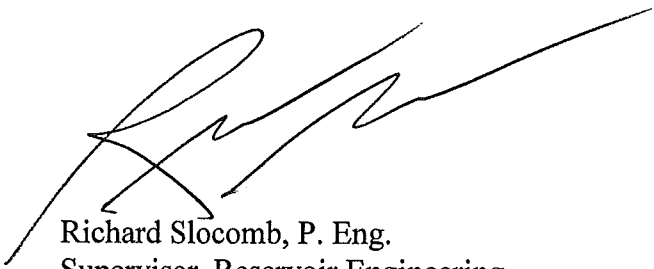
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3. A current reservoir pressure of the Cadomin zone is measured prior to commingling.
4. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Slocomb', with a long horizontal flourish extending to the right.

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering