



OIL AND GAS COMMISSION

March 22, 2005

5170-2505/2510-59070-20  
OGC - 05087

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

**FAX**

GREG. BAHAM  
(403) 260-1779

RICHARD SLOCOMB  
250 952-0366

1 **DATE: MAR 23, 2005**

Dear Mr. Barham:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL  
BRC HTR et al Kelly a-16-H/93-P-1; WA# 14766**

The OGC has reviewed your application dated February 24, 2005, for approval to commingle gas production from Falher A and Falher B formations in the subject well.

The Commission has designated the gas pools under application to be the Kelly - Falher A "B" and Falher B "A". Both of these zones are part of large multi-well pools. The Falher A zone has been on production since February 2003, and is currently producing at 13.2 10<sup>3</sup> m<sup>3</sup>/d. The Falher B has never been on production, however this zone was tested at 6.8 10<sup>3</sup> m<sup>3</sup>/d following perforation and fracture stimulation. Both zones are sweet gas with dissimilar pressures. A sliding sleeve will be maintained in the wellbore allowing zonal segregation for the duration of any extended shut-in period, which should mitigate any concerns regarding potential cross-flow. Commingled production is expected to maximize production and recovery from these two zones.


We wish to advise you that your application to commingle production is hereby granted approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions being met:

1. Production from the Falher A (2312.0 - 2316.0 mKB) and Falher B (2337.0 - 2342.0 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 A 65 % and Falher B 35%. 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.

The Commission would like to remind you to submit an amended BC-S1 form for the subject well for the production period covering February 2003 to November 2004. It appears that production was posted to the incorrect unique well identifier (UWI) for the first 22 months of production.

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

Sincerely,

  
Richard Slocomb, P. Eng.  
Supervisor  
Reservoir Engineering

**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

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