



January 17, 2005

5170-2700/2800-59070-20
OGC - 05014

Darryl Krobel
Deep Basin Engineering
Burlington Resources Canada Ltd.
2100 Bow Valley Square IV
250 - 6th Avenue S.W.
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 checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	R Slocomb
<input type="checkbox"/>	D. Krezanoski

Dear Mr Krobel:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
BRC HTR et al Kelly c-42-I/093-P-1; WA# 16129**

The OGC has reviewed your application dated January 6, 2005, for approval to commingle gas production from the Gething and Cadomin formations in the subject well.

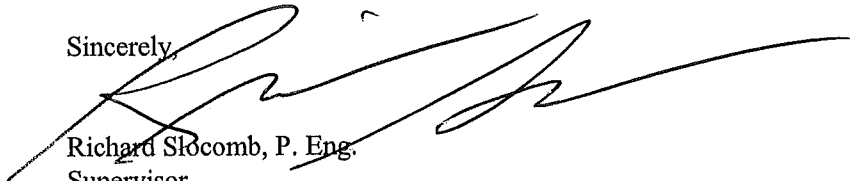
The Commission has designated the gas pools under application to be the Kelly - Gething "B" and Cadomin "D" pools. The Gething was mapped as part of a three well pool and is currently producing at 24.0 10³m³/d. The Cadomin is part of a multi-well pool but is currently shut-in due to liquid loading. The Cadomin produced for five months prior to being shut-in with a production rate of 7.0 10³m³/d. Commingled production is expected to maximize production and recovery from the Cadomin. 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 Gething (2304.0 - 2308.0 mKB) and Cadomin (2433.0 - 2438.0 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 Gething 75 % and Cadomin 25%. The allocation factors may be amended to reflect results of any future tests.
3. The 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,


Richard Slocomb, P. Eng.
Supervisor
Reservoir Engineering

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St. Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744
www.ogc.gov.bc.ca