



October 27, 2005

5170-2200/2510/2600-59070-20

OGC – 05290

Trevor Keller  
Deep Basin Engineering  
Burlington Resources Canada Ltd.  
2100 Bow Valley Square IV,  
250 – 6<sup>th</sup> 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 Keller:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL  
BRC HTR Noel d-27-F/093-P-01; WA# 14413**

The OGC has reviewed your application dated August 23, 2005, for approval to commingle gas production from the Cadotte, Falher B and Bluesky formations in the subject well.

The Commission has designated the gas pools under application to be the Kelly – Cadotte “I”, Falher B “A” and Bluesky “A”. The Cadotte has been mapped as a four well pool. The Cadotte in the subject well has been on production since April 2002 and is currently producing at 16.5 10<sup>3</sup> m<sup>3</sup>/d. The Falher B is part of a large multi-well pool and has never been on production though it production tested at 19.2 10<sup>3</sup> m<sup>3</sup>/d. The Bluesky is mapped as single well pool and commenced production in April 2002, however liquid loading problems resulted in the zone being suspended in February 2003. The Bluesky zone has produced 2.9 10<sup>6</sup>m<sup>3</sup> of gas and last produced at 13.4 10<sup>3</sup> m<sup>3</sup>/d. Commingled production is expected to maximize production and reserve recovery from the Falher B and Bluesky zones. The three zones are sweet gas. Although these zones are not expected to have similar pressures sliding sleeves are in place to enable segregation for the duration of any extended shut-in period and additional data collection.

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 (2239.0 – 2245.0 mKB), Falher B (2387.5 – 2389.5 mKB) and Bluesky (2662.5 - 2667.0 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 60 %, Falher B 20 % and Bluesky 20%. The allocation factors may be amended to reflect results of any future tests.

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**RESOURCE CONSERVATION BRANCH**

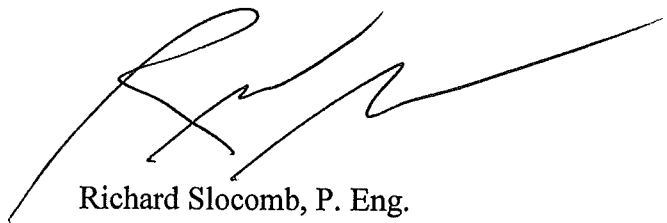
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St. Victoria BC

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

3. A current reservoir pressure of the Bluesky zone must be 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