



February 24, 2006

9000-2800/2850-59070-20

OGC – 06071

Chris Dittaro  
Sr. Engineering Technologist  
Foothills Exploration & Development  
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

<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

Dear Ms. Dittaro:

**RE: APPLICATION FOR INTERIM COMMINGLING  
BRC HTR et al Ojay c-93-H/93-I-9; WA# 20705**

The OGC has reviewed your application dated December 19, 2005 requesting permission for interim approval to commingle gas production from Cadomin and Nikanassin zones expected to be encountered in the subject well.

The subject well is expected to test a structure sub-parallel to the one intersected by the Ojay Cadomin “B” pool. Therefore, separate testing of the Cadomin and Nikanassin is recommended. It is noted that several wells in the area have been granted approval to commingle production from the Cadomin and Nikanassin. Also, there are only a few meters separating the Cadomin and Nikanassin zones resulting in the possibility that these zones are already commingled through natural fractures. Additionally, liquid loading has been a factor with regard to productivity from the Cadomin. Both zones are sweet gas and are expected to have similar pressures.

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

1. A production test must be completed to establish the AOF, and initial reservoir pressure for the commingled Cadomin/Nikanassin zone, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
2. A formal application for commingled production must be submitted with supporting test data (spinner survey), gas analysis and proposed allocation factors for production reporting both gas and liquids.

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**RESOURCE CONSERVATION BRANCH**

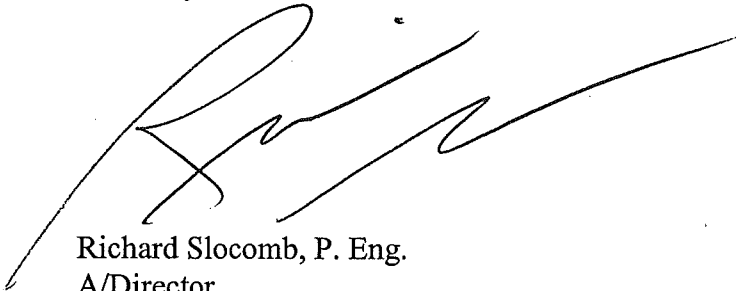
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St. Victoria BC

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. Should zone productivity from either of these zones exceed a gas rate of  $60 \times 10^3 \text{ m}^3/\text{d}$ , segregated production may be required.
4. Formal approval for commingled production *will not* be authorized until all of the conditions above have been met.

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', written in a cursive style.

Richard Slocomb, P. Eng.  
A/Director  
Resource Conservation Branch