



January 17, 2006

6480-2200/2400-59070-20

OGC - 06018

Bill Partridge, P.Eng.  
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 Mr. Partridge:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL  
BRC HTR et al Ojay d-19-F/093-I-16; WA# 19609**

The OGC has reviewed your application dated January 5, 2006, for approval to commingle gas production from the Cadotte and Notikewin formations in the subject well.

The Commission has designated the gas pools under application to be the Ojay - Cadotte "C" and Notikewin "B". These two zones were seen as prospective targets in the off-setting b-20-F location, though unable to be produced due to commingled production from the Cadomin, Nikanassin and Gething zones. The Cadotte zone in the subject well was tested at 20.0 10<sup>3</sup> m<sup>3</sup>/d, and was still showing signs of cleaning up at the end of the test. The Notikewin zone was tested at 22.4 10<sup>3</sup> m<sup>3</sup>/d, showing signs of stabilization at the end of the test. This well is the first to produce from these two zones on this structure. Typically the OGC prefers to see segregated production in these situations. However due to the marginal production rates from these two zones, seasonal access to the wellsite and a commitment from Burlington to maintain a sliding sleeve for further segregated testing, commingling is deemed appropriate. Furthermore commingled production is expected to maximize production and reserve recovery from both zones. Both zones are sweet gas at similar relative pressures.

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 (2388.0 - 2392.0 mKB) and Notikewin (2492.0 - 2496.0 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 40 % and Notikewin 60 %. The allocation factors may be amended to reflect results of any future tests.
3. A current reservoir pressure from the Cadotte zone must be measured prior to commingling.

2...

**RESOURCE CONSERVATION BRANCH**

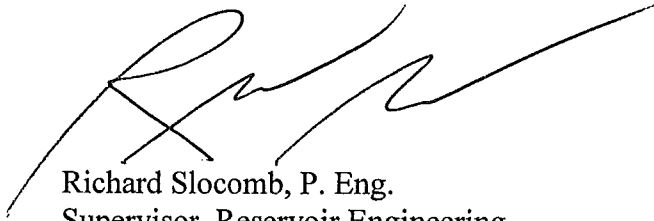
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301  
Location: 6<sup>th</sup> Flr 1810 Blanshard St. Victoria BC

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

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