

September 4, 2009

6480-2545/2600/2800/2850-59070-20

Tony Colabella  
Senior Exploitation Engineer  
Canadian Forest Oil Ltd.  
2000, 800 – 6<sup>th</sup> Avenue SW  
Calgary AB T2P 3G3

Dear Mr. Colabella:

**RE: COMMINGLED PRODUCTION  
CANADIAN FOREST ET AL OJAY b-04-J/93-I-9; WA# 14222**

Commission staff have reviewed your application dated August 28<sup>th</sup> 2009 for approval to commingle gas production from the Fahler G, Bluesky, Cadomin, and Nikanassin zones encountered in the subject well.

The Nikanassin formation was completed in the subject well in December of 2004 and suspended following a final test rate of 20 e<sup>3</sup>m<sup>3</sup>/d. The subject well and zones are included in the Outer Foothills Area - Commingled Production approval and guide (the "Guide") issued by the OGC on March 10, 2008. The Bluesky, Cadomin and Nikanassin are categorized as deep zones that may be commingled without further approval, only notification required. The Falher G is recognized as a shallow zone, necessitating this application.

Your request for an interim approval is intended to allow the acquisition of additional supporting data for a final commingling application. Gas compositions should be similar for the four zones, each expected to be marginal producers, therefore commingled production through a single tubing string should maximize production and reserve recovery.

Your application to commingle production from these zones is hereby granted **interim** approval, under the authority of section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Fahler G, Bluesky, Cadomin, and Nikanassin formations may be commingled.
2. A supplementary application for commingled production, with supporting test data as required under the Guide, must be submitted, with proposed allocation factors for production reporting.
3. Formal approval for commingled production **will not** be authorized until all of the above listed conditions have been met.

Should you have any questions, please contact the undersigned at (250) 419-4421 or Travis Mercure at (250) 419-4448.

Sincerely,



Richard Slocomb, P. Eng.  
Supervisor, Reservoir Engineering