

February 26, 2010

6480-2500/2540/2700/2800/2850-59070-20

Tony Colabella
Sr. Exploitation Engineer
Canadian Forest Oil Ltd.
2500, 645 – 7th Avenue SW
Calgary AB T2P 4G8

Dear Mr. Colabella:

**RE: INTERIM COMMINGLED PRODUCTION APPROVAL
CANADIAN FOREST ET AL OJAY a-51-G/93-I-9; WA# 25869**

Commission staff have reviewed your application dated February 24, 2010 for approval to commingle gas production from the Falher, Fahler F, Gething, Cadomin, and Nikanassin zones encountered in the subject well.

The deep zones (Gething, Cadomin and Nikanassin) are approved for commingled production under the Outer Foothills Commingling Guideline. As per these guidelines shallow and deep zones may not be commingled unless approved by the Commission. Log analysis suggests that the shallow zones (Falher and Falher F) are not expected to be high rate producers but will provide additional production from these secondary zones. Additionally, with spring break up imminent, these shallow zones may be bypassed without a streamlined completion program facilitated by an interim commingled production approval.

The 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 five zones. 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 Falher, Fahler F, Gething, Cadomin, and Nikanassin formations may be commingled.
2. Should the production rate from the Falher or Falher F zones exceed 100.0×10^3 m³/d, production from the Shallow and Deep zones must be segregated.
3. All applicable requirements of Condition #9 of the Outer Foothills Commingling Interim Guidelines must be met.

4. 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.
5. 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,

A handwritten signature in black ink, appearing to read 'R. Slocomb', is written on a light-colored rectangular background.

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering