

August 7, 2001

3380-2630/5000-59070-20 OGC 01144

Simon Rivard
Petroleum Engineering Assistant
Canadian Hunter Exploration Ltd.
2800, 605 – 5<sup>th</sup> Avenue S.W.
CALGARY AB T2P 3H5

Dear Mr. Rivard:

RE: APPLICATIONS FOR COMMINGLED PRODUCTION
CANHUNTER PIONEER DAHL d-21-E/094-H-9; WA# 12687
CANHUNTER DAHL d-41-E/094-H-9; WA# 12680
CANHUNTER PIONEER RING a-72-F/094-H-9; WA# 11666
CANHUNTER PIONEER RING a-84-F/094-H-9; WA# 11667
CANHUNTER RING d-5-K/094-H-9; WA# 12413
CANHUNTER RING b-23-L/094-H-9; WA# 12322

The Commission has reviewed your applications dated June 20, 2001, requesting permission to commingle gas production from the Bluesky-Gething and Montney formations encountered in the subject wells.

The Commission has designated these pools as the Dahl Bluesky-Gething "A" and Montney "A". In the Ring field, to the northeast, these zones are recognized as a single pool, however in the Dahl area the zones are mapped as separate pools. Gas compositions and reservoir pressures are approximately equal. Commingled completion would appear to offer an economic ability to produce marginal zones, thereby increasing reserves recovery.

We wish to advise you that your applications to commingle production is hereby approved, under the authority of section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Bluesky-Gething and Montney zones may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Bluesky-Gething 75% and Montney 25%.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely, Approval Letters to Industry COMMINGLED PRODUCTION Copy 8 Wellfile (originals) 59070-20 Daily Craig Gibson, P.Eng. Resource Revenue Manager R. Stefik Reservoir Engineering and Geology G. Farr P.S. Attariwala **ENGINEERING AND GEO** D. Krezanoski PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 2-0291 Location: 6th Fir 1810 Blansha, John Victoria BC