

Mr. Gilbert Cordell
District Reservoir Engineer
Canadian Hunter Exploration Ltd.
2800, 605 - 5th Avenue S.W.
Calgary, AB T2P 3H5

Dear Mr. Cordell:

RE: APPLICATION FOR TEMPORARY COMMINGLING
Canhunter et al W Gundy b-13-B/94-B-16; WA 4083
Canhunter et al W Gundy a-24-B/94-B-16; WA 4161

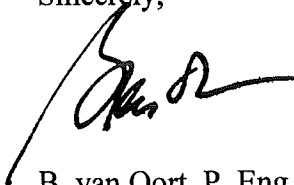
This is with respect to your application of May 1, 1997, received at our office on June 2, 1997, requesting permission to temporarily commingle gas from the Dunlevy "A" and Baldonnel "A" pools at the subject wells.

Gas compositions at the two pools are different, with Baldonnel being sour with H₂S content of around 1.9% while Dunlevy is sweet. However, the production plans put forth by Canadian Hunter would ensure that H₂S would not migrate into the Baldonnel pool.

We wish to advise that your application to temporarily commingle production from these two formations is hereby approved, under section 44 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Dunlevy and Baldonnel formations may be commingled for a period of no longer than three calendar months.
2. All gas and condensate production must be allocated on the BC S-1 and BC S-2 forms to the Dunlevy, with water production allocated to the Baldonnel.
3. This approval may be modified at a later date if deemed necessary.

Sincerely,



B. van Oort, P. Eng.
Director
Engineering and Operations Branch

Copies for Approval Letters (6)
Commingled Production

<input type="checkbox"/>	P. S. Attariwala
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily