



October 19, 2001

5170-2200/2510-59070-20
OGC - 01192

Abed Sheddy
Engineering Coop Student
Deep Basin Exploration and Production
Canadian Hunter Exploration Ltd.
2800, 605 - 5th Avenue S.W.
CALGARY AB T2P 3H5

**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"/> | P.S. Attariwala |
| <input type="checkbox"/> | D. Krezanoski |

Dear Mr. Sheddy:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
CANHUNTER KELLY c-92-B/093-P-1; WA# 6322**

The Commission has reviewed your application dated September 17, 2001, requesting permission to commingle gas production from the Cadotte and Falher B pools encountered in the subject well.

The Commission has designated the gas pools under application to be the Kelly - Cadotte "H" and Falher B "A". Both pools contain mainly sweet gas; any potential crossflow should be from Cadotte to Falher B having no detrimental effect on other producing wells. Also, all producing gas wells in the pools are operated by Canadian Hunter Exploration Limited. Commingled production is expected to increase gas production by mitigating liquid loading problems.

We wish to advise you that your application 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 Cadotte (2278.0-2285.5 mKB) and Falher B (2411.0-2422.0 mKB) 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 Cadotte 70% and Falher B 30%.
3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

Craig Gibson, P.Eng.
Manager
Reservoir Engineering and Geology

ENGINEERING AND GEOLOGY BRANCH

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