

February 28, 2003

9000-2800/2850-59070-20 OGC - 03050

Josée Tremblay, P.Eng. Foothills Exploration and Development Canadian Hunter Exploration Ltd.  $2800, 605 - 5^{th}$  Ave. SW Calgary AB T2P 3H5

Dear Ms. Tremblay:

RE: INTERIM APPROVAL FOR COMMINGLED PRODUCTION CANHUNTER ET AL OJAY d-57-C/93-I-16; WA# 15856

The Commission has reviewed your application dated February 19, 2003 requesting permission to commingle gas production from the Cadomin and Nikanassin zones expected to be encountered in the subject licensed well.

Pressures and gas compositions should be similar for the two pools. Commingled production via open-hole completion may allow optimum economic gas recovery from these zones, thereby increasing well recoverable reserves. However, consideration must still be given to any potential off-target gas production penalty,

We wish to advise you that your application to commingle production from these two formations is hereby approved, under the authority of section 41 of the Drilling and Production Regulation, subject to the following conditions:

- 1. Production from the Cadomin and Nikanassin formations may be commingled.
- 2. A supplementary application for commingled production, with drilling/production logging results, must be submitted, with proposed allocation factors for production reporting.
- 3. Should total well productivity from these two zones exceed a gas rate of 120 10<sup>3</sup>m<sup>3</sup>/d, individual zone flow and pressure tests may be required.
- 4. AOF and reservoir pressure reports, based on available data, must be filed for the commingled zone as per the requirements of sections 84 and 95 of the Regulation.
- 5. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,	Approval Letters to Industry COMMINGLED PRODUCTION
Peter Attariwala, P. Eng. Supervisor Reservoir Engineering	Copy 8 Wellfile (originals) 59070-20 Daily Resource Revenue R. Stefik G. Farr P.S. Attariwala
ENGINEERING AND GEOLOGY BRANCH	 D. Krezanoski

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