

OIL AND GAS COMMISSION

November 24, 2005

4380-2200/2500-59070-20 OGC - 05329

Ralph White, P.Eng. Exploitation Engineer, Foothills Canadian Natural Resources Limited Suite 2500, $855 - 2^{nd}$ Street S.W. Calgary AB T2P 4J8

Dear Mr. White:

APPROVAL FOR COMMINGLED PRODUCTION RE: CNRL ET AL N GRIZZLY d-40-H/93-I-15; WA# 8565

It was noted, while reviewing your application dated October 21, 2005 for commingled gas production from the Cadotte and Falher zones encountered in the well b-27-H/93-I-15 (WA 18372), that the offsetting well d-40-H/93-I-15 (WA 8565) has produced commingled gas from these two zones.

Due to open-hole completion, the well CNRL et al N Grizzly d-40-H/93-I-15 has been producing commingled gas from the Cadotte and Falher zones since August 1994, although no formal commingling approval was granted. Cumulative production from the well d-40-H through September 2005 is 97.3 106 m3.

The Commission designates the well to be completed as the Grizzly North - Cadotte "B" and Falher "A" pool. Please note that effective December 1, 2005 all production from this well should be assigned to each zone based on the allocation factors in condition #2. The historical production data for the well will be allocated by the Commission.

We wish to advise you that production from these zones is hereby granted commingling approval, under the authority of Section 41 of the Drilling and Production Regulation, subject to the following conditions:

- Production from the Cadotte and Falher may be commingled.
- Gas, condensate and water production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the basis of Cadotte 35 % and Falher 65%.
- This approval may be modified at a later date if deemed appropriate through a change in circumstances. 3.

5. This approvar may	
Sincerely,	Approval Letters to Industry COMMINGLED PRODUCTION
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	Wellfile (originals)
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	Daily
	Resource Revenue
Richard Slocomb, P.Eng.	R. Stefik
A/Director	G. Farr
Resource Conservation Branch	R Slocomb
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RESOURCE CONSERVATION BRANCH

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