



September 29, 2006

2100-2700/9030-2800-59070-20

Neil Rubeniuk
Engineering Supervisor
Sub-Surface Regulatory & Royalty Optimization
ConocoPhillips Canada Resources Corp.
PO Box 130, 401-9th Avenue S.W
Calgary, Alberta T2P 2H7

Dear Mr. Rubeniuk:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
BRC HTR BRASSEY 2-4-77-19; WA# 20636**

The OGC has reviewed your application dated July 24, 2006, requesting approval to commingle gas production from the Gething and Cadomin formations in the subject well.

The Commission has designated the gas pools under application to be the Brassey – Gething “B” and Deep Basin – Cadomin “A”.

The Gething has been mapped as a single well pool. The Gething in the subject well is currently producing at $23.9 \times 10^3 \text{ m}^3/\text{d}$. Decline analysis and Rate transient analysis indicate that the Gething is of limited aerial extent. The Cadomin has been mapped as part of the large regional pool in the Deep Basin area. The Cadomin in the subject well has not been on continuous production, though it flow tested at $38.9 \times 10^3 \text{ m}^3/\text{d}$ after fracture stimulation. The Commission believes that commingled production will result in increased reserves recovery. Both zones are sweet gas with similar initial reservoir pressures.

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

1. Production from the Gething (1997.0 – 2015.0 mKB) and Cadomin (2073.0 – 2078.0 mKB) zones may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Small Business and Revenue BC S-1 and BC S-2 forms on the basis of Gething 50 % and Cadomin 50%. The allocation factors may be amended to reflect results of any future tests.
3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Should you have any questions, please contact the undersigned at (250) 952-0366.

Sincerely,

Richard Slocomb, P. Eng.
Supervising Reservoir Engineer

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