



November 15, 2007

4780-2200/2800/2850-59070-20

Andrea Hahn, E.I.T.
Exploitation Engineer – Deep Basin
ConocoPhillips Canada Resources Corp.
2100, Bow Valley Square Four
250 – 6th Avenue SW
Calgary, Alberta T2P 3H7

Dear Ms. Hahn:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
BRC HTR ET AL HIDING d-87-G/93-I-16; WA# 21511**

The Commission has reviewed your application dated October 30, 2007, requesting approval to commingle gas production from the Cadotte, Cadomin and Nikanassin formations in the subject well.

The Commission has designated the gas pools under application to be the Hiding Creek – Cadotte “L”, Cadomin “K” and Nikanassin “K”. These have been mapped as single well pools. The Cadotte, Cadomin and Nikanassin initially tested at 85.4 10³ m³/d, 106.0 10³ m³/d and 126.3 10³ m³/d, respectively. However, production from the Cadotte and Cadomin has dropped to 30 10³ m³/d and 21.9 10³ m³/d, respectively, after seven months. The Nikanassin has not been placed on production. Based on PTA data, production from the Nikanassin is expected to be 28.9 10³ m³/d after the first month of production. These zones have typically been commingled in this area in order to optimize production and recovery. Commingled production through a single tubing string is expected to lift liquids more effectively, extending the economic life of this well thereby maximizing recoverable reserves. All three zones are sweet gas.

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 Cadotte (2649.0-2655.0 mKB), Cadomin (3183.0.0–3196.0 mKB) and Nikanassin (3246.0 – 3440.5 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 Cadotte 35 %, Cadomin 35 % and Nikanassin 30 %. 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) 952-0310.

Sincerely,

Ron Stefik, AScT
Sr Reservoir Engineering Technologist

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