



November 17, 2008

4780-2200/2700/2800/2850-59070-20

Neil Rubeniuk
Engineering Manager
Subsurface Regulatory & Royalty Optimization
ConocoPhillips Canada Resources Corp.
2100, Bow Valley Square Four
250 – 6th Avenue SW
Calgary, Alberta T2P 3H7

Dear Mr. Rubeniuk:

**RE: COMMINGLED PRODUCTION APPROVAL
BRC HTR ET AL HIDING B- 085-G/093-I-16; WA# 22981**

The Commission has reviewed your application dated September 4, 2008, requesting approval to commingle gas production from the Cadotte, Gething, Cadomin and Nikanassin formations in the subject well. The Commission has designated the pools under application to be the Hiding Creek – Cadotte “L”, Gething “G”, Cadomin “K” and Nikanassin “K” gas pools.

The subject well was completed in Cadotte, Gething, Cadomin and Nikanassin zones in February/March 2008 and flow tested at AOF rates of 26 10³m³/d, 40 10³m³/d, 65 10³m³/d and 87 10³m³/d, respectively. A packer was set at 3033.5 mKB to segregate the Cadotte from the lower zones and an initial pressure of 16791 kPaa was measured for the Cadotte. In April 2008, commingled production commenced from the Gething, Cadomin and Nikanassin, (as per the Outer Foothills Commingling Guideline), at an average rate of 138 10³m³/d and segregated production commenced from the Cadotte at 34 10³m³/d. Current production from the commingled zones has declined to 40 10³m³/d and to 28 10³m³/d for the Cadotte zone.

All zones contain sweet gas. Commingled production is expected to maximize production and reserve recovery.

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 (2601.0-2604.0 mKB), Gething (3049.5–3068.5 mKB), Cadomin (3137.0 – 3149.0 mKB) and Nikanassin (3199.0 – 3328.0 mKB) zones may be commingled.
2. Gas, condensate and water production from the commingled well should be allocated on the Ministry of Provincial Revenue BC S-1, BC S-2 and BC 08 forms to the deepest (measured depth) active well event (UWI). Royalty will be calculated on a well production basis, as if production were being taken from a single zone. The Commission will allocate commingled production to the individual zones on the basis of Cadotte 27 %, Gething 15%, Cadomin 25% and Nikanassin 33%.

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RESOURCE CONSERVATION

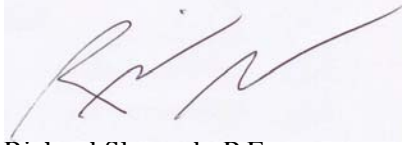
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3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Should you have any questions, please contact the undersigned at (250) 952-0366 or Kelly Okuszko at (250) 952-0325.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb', is written over a light blue rectangular background.

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering