



October 7, 2008

6430-2000/2200-59070-20

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

Dear Mr. Rubeniuk:

**RE: COMMINGLED PRODUCTION APPROVAL
COP BRC ET AL NOEL A- 027-A/093-P-07; WA# 7159**

The OGC has reviewed your application dated September 23, 2008 requesting approval to commingle gas production from the Paddy and Cadotte formations in the subject well.

The Commission has designated the gas pools under application to be part of the Noel – Paddy “D” and Cadotte “A” pools. The Paddy “D” is a single well pool and the Cadotte “A” contains multiple wells.

The subject pools contain sweet gas. Upon completion, the Paddy and Cadotte zones tested at final gas rates of 101.6 10³m³/d and 267.5 10³m³/d, respectively. The zones commenced segregated production in June 1990. The Cadotte was shut-in March, 2003 at a rate of 17 10³m³/d and the Paddy continued producing to a current rate of 20 10³m³/d. Commingled production of these zones is expected to maximize reserves 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 Paddy (2017.0 – 2024.0 mKB) and Cadotte (2061.0 – 2069.0 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 Paddy 45% and Cadotte 55%.
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,

Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering

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