



April 21, 2008

6430-2000/2700-59070-20

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
BRC HTR NOEL c- 094-E/093-P-01; WA# 16155

The OGC has reviewed your application dated February 25, 2008 requesting approval to commingle gas production from the Paddy and Gething formations in the subject well.

The Commission has designated the gas pools under application to be the Noel – Paddy “H” and Gething “E” pools.

Both pools are single well pools. The Paddy was completed and stimulated in November 2003 and shut in due to no gas response. The Gething was subsequently completed and stimulated and commenced production in January 2004 at an average daily gas rate of 123.4 10³m³/d. Production from the Gething has declined to a current rate of 17.1 10³m³/d. Due to the lack of success during the Paddy completion, its contribution to the commingled production is expected to be negligible. Commingled production of these two zones is expected to maximize reserves recovery from the marginal Paddy zone.

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 (2209.0–2214.0 mKB) and Gething (2783.0–2786.0 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 S-8 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 0% and Gething 100%.
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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