



September 10, 2007

6480-2800/2850-59070-20

Chris Dittaro
Sr. Engineering Technologist
ConocoPhillips Canada Ltd.
PO Box 130, 401-9th Avenue S.W
Calgary, Alberta T2P 2H7

Dear Ms. Dittaro:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
BRC HTR OJAY b-A30-F/93-I-16; WA# 22041**

The OGC has reviewed your application dated March 19, 2007 requesting approval to commingle gas production from the Cadomin and Nikanassin formations in the subject well.

The Commission has designated the gas pools under application to be the Ojay – Cadomin “E” and Nikanassin “E”.

The Cadomin and Nikanassin have been mapped as two well pools. The offsetting well, BRC HTR et al Hiding d-20-F/93-I-16 (WA# 16929) was given commingled production approval for the Gething, Cadomin and Nikanassin zones on March 9, 2005. The Cadomin in the subject well was completed and tested at $91.0 \times 10^3 \text{ m}^3/\text{d}$. The Nikanassin was completed and tested at $161.0 \times 10^3 \text{ m}^3/\text{d}$. Both zones have similar gas composition and similar initial reservoir pressures. We concur that commingling of these two zones will result in increased 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 Cadomin (3164.0–3175.0 mKB) and Nikanassin (3197.0–3581.0 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 Cadomin 40% and Nikanassin 60%. 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

RESOURCE CONSERVATION BRANCH

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