



January 10, 2007

6480-2800/2850-59070-20

Bill Partridge, P.Eng.
Foothills Exploration & Development
ConocoPhillips Canada
401 – 9th Avenue S.W.
PO Box 130 Station M
Calgary Alberta T2P 2H7

Dear Mr. Partridge:

RE: APPLICATION FOR INTERIM COMMINGLED PRODUCTION
BRC HTR et al Ojay b-A30-F/93-I-16; WA# 22041

The OGC has reviewed your application dated December 5, 2006, for interim approval to commingle gas production from Cadomin and Nikanassin formations in the subject well.

Several wells in the Ojay and Hiding areas have been granted approval for commingled production from the Cadomin and Nikanassin zones in an effort to achieve economic production from these tight formations while enabling additional production from shallower more conventional reservoirs. Both zones are expected to contain sweet gas at similar reservoir pressures. The Cadomin and Nikanassin zones have typically been commingled in this area in order to optimize production and recovery. Therefore commingling of these two zones is expected to be beneficial.

We wish to advise you that your application to commingle production is hereby granted **interim** approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions being met:

1. A production test must be completed to establish the AOF and initial reservoir pressure for each of the productive zones, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
2. A formal application for commingled production must be submitted with supporting test data, gas analysis and proposed allocation factors for production reporting both gas and liquids.
3. Formal approval for commingled production **will not** be authorized until all of the conditions above have been met.

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

Sincerely,

Richard Slocomb, P. Eng.
Supervising Reservoir Engineer

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St. Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744 www.ogc.gov.bc.ca