



September 26, 2006

6480-2200/2400/2515-59070-20

Chris Dittaro  
ConocoPhillips Canada  
P.O. Box 130, 401-9th Avenue SW  
Calgary, Alberta T2P 2H7

Dear Ms. Dittaro:

**RE: APPLICATION FOR COMMINGLED PRODUCTION  
BRC HTR et al Ojay d-08-F/093-I-16; WA# 19659**

The OGC has reviewed your application dated September 6, 2006, requesting approval to commingle gas production from the Cadotte, Notikewin and Falher C formations in the subject well.

The Commission has designated the gas pools under application to be the Ojay – Cadotte “C”, Notikewin “B” and Falher C “D”.

The Cadotte “C” pool has been mapped by Commission staff as a four well pool, three wells are currently on production. The Cadotte in the subject well is currently producing intermittently up the tubing/casing annulus below the critical lift rate. The Notikewin zone has been mapped as a four well pool. The Notikewin in the subject well has not been on production, although it tested at  $3.7 \times 10^3 \text{ m}^3/\text{d}$  after fracture stimulation. The Falher C pool has been mapped as a three well pool and all three wells are on production. The Falher C in the subject well is currently producing at  $61.7 \times 10^3 \text{ m}^3/\text{d}$ . The Commission agrees that commingled production through the tubing will eliminate liquid loading issues thereby extending the productive life of the Cadotte and Notikewin zones. The wellbore has been configured with a packer and sliding sleeve between each producing interval, thereby allowing each zone to be segregated during an extended shut-in. All three zones are sweet gas.

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 (2485.0 – 2491.0 mKB), Notikewin (2586.0 – 2590.0 mKB) and Falher C (2772.0 – 2776.0 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 Cadotte 12%, Notikewin 3 % and Falher C 85 %. 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

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