



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 b-30-F/093-I-16; WA# 19666**

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 Commission has previously issued a commingled production approval, dated April 27, 2006 for the Notikewin and Falher C in the subject well.

The Cadotte “C” pool has been mapped by Commission staff as a four well pool, three wells are currently on production. The Cadotte zone in the subject well is currently producing up the tubing/casing annulus at 25.5 10³ m³/d, which is below the critical lift rate. The Commission agrees that commingled production through the tubing will eliminate liquid loading issues thereby extending the productive life of the Cadotte zone. 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 (2447.0 – 2451.0 mKB), Notikewin (2574.0 – 2579.0 mKB) and Falher C (2784.0 – 2787.0 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 30%, Notikewin 5 % and Falher C 65 %. 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

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