



September 6, 2007

6480-2200/2400/2515/2700/2800/2850-59070-20

Chris Dittaro
Sr. Engineering Technologist
ConocoPhillips Canada
P.O.Box 4365, Postal Station C
CALGARY AB, T2T 5N2

Dear Ms. Dittaro:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
BRC HTR et al Ojay d-57-C/93-I-16; WA# 15856**

The OGC has reviewed your application dated August 17, 2007 requesting approval to commingle Cadotte zone gas with previously commingled Notikewin, Falher, Gething, Cadomin and Nikanassin zones in the subject well.

The Commission has designated the gas pools under application to be the Ojay – Cadotte “F”, Notikewin “A”, Falher C “B”, Gething “B”, Cadomin “C” and Nikanassin “C” pools. An approval to commingle the Notikewin, Falher C, Gething, Cadomin and Nikanassin zones, producing through the long tubing, was previously granted by the Commission on April 21, 2005. The Cadotte zone was producing segregated up a separate short tubing string. Based on the June/July 2007 production data it appears that all six zones are producing commingled due to a leak in the sliding sleeve or packer. Also, the flow rates from Cadotte are low to lift liquids. The addition of the Cadotte zone for commingled production is expected to maximize production and reserves recovery from all zones. All six zones are sweet gas with considerable variation in current reservoir pressures. However, several sliding sleeves have been installed to allow for segregation of each zone for any extended shut-in period.

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 (2801.0 - 2807.0 mKB), Notikewin (2911.0 - 2917.0 mKB), Falher C (2997.0 – 3017.0 mKB), Gething (3232.0 – 3248.0 mKB), Cadomin (3345.0 – 3373.0 mKB) and Nikanassin (3373.0 – 3568.0 mKB) formations 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 53%, Notikewin 37%, Falher C 1%, Gething 5%, Cadomin 2% and Nikanassin 2%. The allocation factors may be amended to reflect results of any future tests.
3. A segregated annual production test will be carried out on the Notikewin zone.
4. 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 Engineering

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