

September 27, 2007

6480-2700/2800/2850-59070-20

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 ET AL OJAY c-08-B/93-I-16; WA# 22204

The OGC has reviewed your application dated September 7, 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 – Gething "G", Cadomin "C" and Nikanassin "C".

An approval for interim commingled production was issued on April 19, 2007 for the subject well. The Cadomin and Nikanassin have been mapped as five well pools. Many of the wells in these two pools have been issued approval for commingled production. The Gething has been mapped as a two well pool. The Upper Nikanassin, Cadomin and Gething zones were completed, stimulated and flow tested together. As a result a spinner survey was used to determine appropriate allocation factors for each zone. The Gething zone was determined to have no contribution to overall production. All three zones have similar gas composition and similar initial reservoir pressures. We concur that commingling of these 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 Gething (3267.0 3308.0 mKB), Cadomin (3316.0–3322.0 mKB) and Nikanassin (3340.0–3613.0 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 Gething 0%, Cadomin 41% and Nikanassin 59%. The allocation factors may be amended to reflect results of any future tests.

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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