OIL AND GAS COMMISSION

November 5, 2007 4780-2600/2700/2800/2850-59070-20

Georgia Lykidis, P. Eng.
Exploitation Engineering – Deep Basin
Devon Canada Corporation
2000, 400 – 3rd Avenue SW
Calgary, Alberta T2P 4H2

Dear Ms. Lykidis:

RE: APPLICATION FOR COMMINGLED PRODUCTION
BRC HTR HIDING a-1-L/93-I-16; WA# 21470

The Commission has reviewed your application dated July 24, 2007, requesting approval to commingle gas production from the Bluesky, Gething, Cadomin and Nikanassin formations in the subject well.

The Commission has designated the gas pools under application to be the Hiding Creek – Bluesky "B", Gething "F", Cadomin "E" and Nikanassin "E".

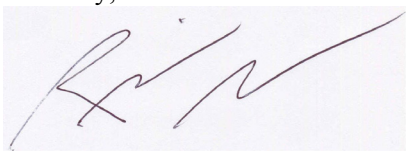
The Bluesky, Cadomin and Nikanassin have been mapped as two well pools whereas the Gething is a single well pool. The Bluesky, Gething, Cadomin and Nikanassin initially tested at 36.18 10^3 m^3/d, 1.7 10^3 m^3/d, 26.3 10^3 m^3/d and 50.2 10^3 m^3/d, respectively. However, based on PTA data, production from the Bluesky, Gething and Cadomin after one month will be too low to flow up the annulus due to liquid loading. Also, the Gething, Cadomin and Nikanassin zones have typically been commingled in this area in order to optimize production and recovery. Commingled production is expected to maximize production and reserve recovery. All four zones are sweet gas with fairly similar initial reservoir pressure.

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 Bluesky (2880.0-2886.0 mKB), Gething (2997.0-3003.0 mKB), Cadomin (3021.0–3027.0 mKB) and Nikanassin (3056.0 – 3233.0 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 Bluesky 28%, Gething 6%, Cadomin 21 % and Nikanassin 45%. 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