



May 9, 2007

4780-2700/2800/2850-59070-20

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

Dear Ms. Boyko:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
BRC HTR ET AL HIDING d-26-G/93-I-16; WA# 20516**

The Commission has reviewed your application dated February 1, 2007, requesting approval to commingle gas production from the Gething, Cadomin and Nikanassin formations in the subject well.

The Commission has designated the gas pools under application to be the Hiding Creek – Gething “E”, Cadomin “H” and Nikanassin “I”. These have been mapped as single well pools. The Gething, Cadomin and Nikanassin initially tested at $35.4 \times 10^3 \text{ m}^3/\text{d}$, $34.4 \times 10^3 \text{ m}^3/\text{d}$ and $99.8 \times 10^3 \text{ m}^3/\text{d}$, respectively. However, based on PTA data, production from the Gething and Cadomin after one month will be too low to flow up the annulus due to liquid loading. Also, the 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 three zones are sweet gas at 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 Gething (2938.0-2943.0 mKB), Cadomin (3033.0–3039.0 mKB) and Nikanassin (3080.0 – 3263.0 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 3%, Cadomin 27 % and Nikanassin 70%. 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