



February 27, 2004

9000-2500/2800-59070-20
OGC - 04090

Eveline Chartier
Devon ARL Corporation
1600, 324 - 8th Avenue S.W.
CALGARY AB T2P 2Z5

COMMINGLED PRODUCTION

Copy 8

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	P.S. Attariwala
<input type="checkbox"/>	D. Krezanoski

Dear Ms. Chartier:

RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
Devon ARL Hiding c-85-F/93-I-16; WA# 16130

The OGC has reviewed your application dated February 18, 2004, for approval to commingle gas production from the Falher G and Cadomin formations in the subject well.

Both the Falher G and Cadomin formations were perforated and fracture stimulated. The Cadomin tested at 50x10³m³/d whereas the Falher G had no burnable gas to surface. The Falher G had difficulty cleaning up and as such commingled production is expected to allow the zone to potentially start flowing gas; thereby increasing recoverable gas. Both zones are sweet gas. The Falher G is a tight zone therefore cross flow should not be an issue during long periods of shut-in.

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 Falher G (2739.5 - 2743 mKB) and Cadomin (3009.5 - 3025.5 mKB) formations may be commingled.
2. Gas, water and condensate production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the basis of Falher G 0 % and Cadomin 100 %. 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.

Devon should attempt to obtain a measurement of the reservoir pressure in the Falher G zone prior to commingling.

Should you have any questions, please contact the undersigned at (250) 952-0311 or Richard Slocomb at (250) 952-0366.

Sincerely,

Peter Attariwala, P. Eng.
Supervisor
Reservoir Engineering

RESOURCE CONSERVATION BRANCH

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