



March 16, 2004

9000-2800/2850-59070-20

OGC - 04105

Eveline Chartier, P.Eng.
Deep Basin Exploitation Engineer
Devon ARL Corporation.
1600, 324 - 8th Avenue S.W.
CALGARY, AB T2P 2Z5

**Approval Letters to Industry
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
<input type="checkbox"/>	RICHARD SLOCOMB

Dear Ms. Chartier:

**RE: INTERIM COMMINGLED PRODUCTION APPROVAL
DEVON ARL et al OJAY c-76-C/93-I-16; WA# 16945**

The OGC has reviewed your application dated February 27, 2004, for interim approval to commingle gas production from the Cadomin and Nikanassin zones in the subject well.

As noted in your application, gas compositions and reservoir pressures are expected to be similar for the two zones; both being sweet gas at virgin pressure. Initial production testing on the Nikanassin has shown this zone to have low productivity (< 10x10³ m³/d). The Cadomin is also expected to have similarly low rates of production and as such commingled completion should allow these zones to be completed and produced in an economic manner, thereby increasing well gas recovery. Should the initial reservoir pressures be substantially different for these two zones, a means of isolating each zone for the duration of any long shut-in period may be required.

We wish to advise that your application to commingle production from these pools is hereby granted **interim** approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. A production test must be completed to establish the AOF and initial reservoir pressure for both productive zones, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
2. A formal application for commingled production must be submitted with supporting test data, gas analysis and proposed allocation factors for production reporting both gas and liquids.
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) 952-0311 or Richard Slocomb at (250) 952-0366.

Sincerely,

P. S. Attariwala
Supervisor
Reservoir Engineering

RESOURCE CONSERVATION BRANCH

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