



November 29, 2006

6480-2200/2515/2700/2800/2850-59070-20

John Donohoe, P.Eng.
Senior Exploitation Engineer
Devon Canada Corporation
3100, 400 – 3rd Avenue S.W.
Calgary AB T2P 4H2

Dear Mr. Donohoe:

**RE: APPROVAL FOR COMMINGLED PRODUCTION, AMENDMENT #2
DEVON ET AL OJAY c-76-C/93-I-16; WA# 16945**

Commission staff have reviewed your application dated October 23, 2006 requesting permission to commingle gas production from the Cadotte formation with the Falher C, Gething, Cadomin and Nikanassin zones, approved for commingled production January 24, 2006, in the subject well.

The Commission designates the gas pools under application to be the Ojay – Falher C “B”, Gething “D”, Cadomin “F”, Nikanassin “D” and Cadotte “G”. The Cadotte “G” is mapped as a single well pool, with limited reserves. After one month of production the Cadotte zone was at a gas rate of $8 \times 10^3 \text{ m}^3/\text{d}$, and is currently not producing due to liquid loading below the critical lift rate. Commingled production is expected to maximize production and pool recovery from all five zones.

We wish to advise 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 Cadotte (2654.0-2657.0 mKB), Falher C (2846.0-2850.0 mKB), Gething (3175.0-3200.0 mKB), Cadomin (3242.5-3246.0 mKB) and Nikanassin (3275.0-3445.0 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 Cadotte 10%, Falher C 55%, Gething 5%, Cadomin 20% and Nikanassin 10%. 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.

Sincerely,

Ron Stefik, AScT
Sr Reservoir Engineering Technologist

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