



June 24, 2005

6480-2700/2800/2850-59070-20
OGC – 05195

John Donohoe, P.Eng.
Sr. Exploitation Engineer
Devon Canada Corporation
2000, 400 – 3rd Avenue SW
CALGARY AB, T2P 4H2

Dear Mr Donohoe:

RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
Devon ARL et al Ojay c-76-C/093-I-16; WA# 16945

The OGC has reviewed your application dated May 10, 2005, for approval to commingle gas production from the Gething, Cadomin and Nikinassin formations in the subject well.

The Commission has designated the gas pools under application to be the Ojay – Gething “D”, Cadomin “F” and Nikinassin “D”.

The Commission issued an interim approval for commingled production on December 17, 2004, for the three zones under application. Due to unforeseen operational problems during completion operations, pressure data was not obtained from the Nikinassin zone and only limited information was obtained from the Gething. Initial production testing of all three zones indicates marginal rates and therefore commingled production is considered appropriate. Commingled production is expected to maximize production and recovery. All three zones are sweet gas at similar relative 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 (3197.0 – 3200.0 mKB), Cadomin (3242.5 – 3246.0 mKB) and Nikinassin (3279.0 – 3445.0 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 Gething 10%, Cadomin 65 % and Nikinassin 25 %. 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.
Supervisor, Reservoir Engineering

Approval Letters to Industry
COMMINGLED PRODUCTION

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<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"/>	R Slocomb
<input type="checkbox"/>	D. Krezanoski

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