



January 19, 2007

6480-2700/2800/2850-59070-20

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

Dear Mr. Donohoe:

**RE: APPLICATION FOR INTERIM COMMINGLED PRODUCTION APPROVAL
Devon et al Ojay d-A13-G/93-I-9; WA# 21730**

The OGC has reviewed your application dated December 14, 2006, for interim approval to commingle gas production from Gething, Cadomin and Nikinassin formations in the subject well.

The Cadomin and Nikanassin formations in the Ojay field have the potential for high initial production rates; though typically declining rapidly over the first few months. Production information from off-setting wells at b-A57-G and b-45-G/93-I-9 has shown limited potential within the Cadomin zone. In both wells no production has been allocated to the Cadomin. The Gething appears to be a marginal zone on logs and is not anticipated to contribute much to the overall production from the subject well. All three zones are expected to contain sweet gas at similar reservoir pressures.

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

1. The subject well is hereby exempt from measurement of initial reservoir pressure, under Section 95(2) of the Regulation, for the Gething, Cadomin and Nikanassin formations in the subject well, unless final well bore configuration does not result in commingled production.
2. The subject well is hereby exempt from measurement of absolute open flow potential, under Section 84(2) of the Regulation, for the Gething, Cadomin and Nikanassin formations in the subject well, unless final well bore configuration does not result in commingled production.

...2

RESOURCE CONSERVATION BRANCH

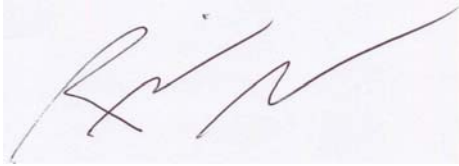
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St. Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744 www.ogc.gov.bc.ca

3. A production test must be completed to establish the AOF and initial reservoir pressure for the commingled zones, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
4. A formal application for commingled production must be submitted, with the results of the proposed spinner survey, completion information, gas analysis and proposed allocation factors for production reporting.
5. Should results from the spinner survey indicate gas productivity from the Gething zone in excess of $100 \times 10^3 \text{m}^3/\text{d}$, segregated flow and build up information may be required.
6. Formal approval for commingled production ***will not*** be authorized until all of the conditions above have been met.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb', is written over a light blue rectangular background.

Richard Slocomb, P. Eng.
Supervisor
Reservoir Engineering