

May 7, 2002

File: 2400-2600/2900-59070-20

OGC - 02071

Kelly White, P. Eng.
Dominion Exploration Canada Ltd.
Suite 2000, 400 – 3rd Avenue S.W.
Calgary AB T2P 4H2

Dear Ms. White:

RE: APPLICATION FOR COMMINGLED PRODUCTION DECL ET AL BUICK b-45-B/94-A-14; WA# 12481

The Commission has reviewed your application dated March 20, 2002 requesting permission to commingle gas production from the Bluesky and Dunlevy zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Buick Creek – Bluesky "D" and Dunlevy "C".

Both zones contain mainly sweet gas. Commingled completion would appear to offer an economic ability to produce marginal zones, thereby increasing reserves recovery. Based on the results of flow testing during underbalanced drilling operations, the Bluesky zone would appear to be contributing negligible gas to the reported well production.

The OGC is concerned that Dominion Exploration Canada Ltd. completed and produced this well in a commingled fashion without prior approval. Please ensure that this does not occur in the future.

We wish to advise you that your application to commingle production from these two pools is hereby approved, under the authority of section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Bluesky (1133.9–1135.0 mKB) and Dunlevy (1160.8–1165.8 mKB) zones may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Dunlevy 100%. These allocation factors may be amended, based on future test results.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,	Approval Letters to Industry COMMINGLED PRODUCTION
•	Copy 8
\cap	Wellfile (originals)
RAHAIA	59070-20
	Daily
1 00 141 2001	Resource Revenue
P.S. Attariwala, P.Eng.	R. Stefik
Supervisor	G. Farr
Reservoir Engineering	P.S. Attariwala
reservent Engineering	D. Krezanoski

ENGINEERING AND GEOLOGY BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291 Location: 6th Flr 1810 Blanshard St. Victoria BC