

March 15, 2000

8900-2600/4100-59070-20 OGC-000092

Mr. Greg Martineau, P.Eng. West Business Unit Encal Energy Ltd. 1800, 421 – 7th Ave SW CALGARY AB T2P 4K9

Dear Mr. Martineau:

RE: APPLICATION FOR COMMINGLED PRODUCTION ENCAL ET AL PICKELL a-94-A/94-H-6; WA# 12485

The Commission has reviewed your application dated February 28, 2000, requesting permission to commingle gas production from the Bluesky and Baldonnel zones encountered in the subject well.

The Commission designates these gas pools in the Zaremba field to be the Bluesky "F" and the single well Baldonnel "C".

Both zones contain gas at similar pressure, crossflow should not be an issue for these pools. Commingled completion would appear to offer an economic ability to produce marginal zones, thereby increasing reserves recovery.

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 (1108.0 1112.0 mKB) and the Baldonnel (1140.0 –1152.0 mKB) zones may be commingled.
- 2. Gas and condensate production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Bluesky 70% and Baldonnel 30%.
- 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	
The same		Wellfile (originals)
for-		59070-20
B. van Oort, P. Eng.		Daily
Director		Resource Revenue
Engineering and Geology Branch		R. Stefik
		G. Farr
		P.S. Attariwala
ENGINEERING AND GEOLOGY BRANC		D. Krezanoski

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