



November 9, 2007

3340-2625/9030-2800-59070-20

Scott Thiessen
Cutbank SBU
EnCana Corporation
150 – 9th Avenue SW
PO Box 2850
CALGARY AB T2P 2S5

Dear Mr. Thiessen:

**RE: COMMINGLED PRODUCTION APPROVAL
ECA HZ CUTBANK d-B8-G/93-P-8; WA# 16961**

Commission staff have reviewed your application, dated September 12, 2007, for approval to commingle gas production from the Upper Gething/Lower Bluesky and Cadomin formations in the subject well. Although within the area/formations of the OGC “Deep Basin Area Commingle Production – Interim Approval”, high early production rates exempted this well from the provisions allowing initial commingling.

The Commission designates the gas pools under application to be the Cutbank field – Basal Bluesky “D” and Deep Basin field – Cadomin “A”. The Basal Bluesky began production at an initial gas rate of 405 10³ m³/d, however, gas production has now declined significantly to 1.4 10³ m³/d for cumulative production of 37.1 10⁶ m³. The Cadomin is presently shut-in but capable of producing at a rate of 15.3 10³ m³/d. Commingled production through the tubing is expected to lift liquids more effectively from the Basal Bluesky, extending the economic life of this zone thereby maximizing recovery. Both zones produce sweet gas.

The 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 Basal Bluesky (2191.0 - 2194.0 mKB MD) and Cadomin (2436.0 - 3170.0 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 Basal Bluesky 23 % and Cadomin 77 %. 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) 952-0310.

Sincerely,

Ron Stefik, ASCT
Sr Reservoir Engineering Technologist

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