

OIL AND GAS COMMISSION

May 23, 2002

8137-7100-59070-20 OGC-02089

David Lui, P.Eng.
Petroleum Engineering Consultant
ENCO Gas, Ltd.
1400, 736 – 6th Avenue S.W.
Calgary AB T2P 3T7

Dear Mr. Lui:

RE: APPLICATION FOR COMMINGLED PRODUCTION ENCO TATTOO b-44-L/94-O-10; WA# 3432

The Commission has reviewed your application dated May 21, 2002, requesting permission to commingle gas production from the Mattson zones encountered in the subject well.

The Commission designates the gas pools encountered by this well to be the Mattson "C" and Mattson "B" of the Tattoo field. Gas compositions and pressures of the two pools are similar. Completion, testing and production of this well to-date has occurred in a commingled manner. In order to properly account for pool reserves and royalties, commingled approval is required. Continued commingled production is expected to increase total recoverable gas reserves from these zones.

We wish to advise you that your application to commingle production from these 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 Mattson "C" (420.7 424.9 mKB) and Mattson "B" (435.9 452.3 mKB) zones may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the following basis, with amended reportes back to date of initial production:

Mattson "C" (UWI 200B044L094O1002) 40% and Mattson "B" (UWI 200B044L094O1000) 60%.

This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Approval Letters to Industry

Sincerely,

R. M

Ron G. Stefik, AScT

Senior Reservoir Engineering Technician

COMMINGLED PRODUCTIO	
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	Wellfile (originals)
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Daily
Resource Revenue
R. Stefik

G. Farr
P.S. Attariwala
D. Krezanoski

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