



March 4, 2008

3450-2600/7450-59070-20

Josephine Nau  
Production Manager  
Husky Oil  
707 8<sup>th</sup> Avenue S.W.  
Box 6525, Station D  
Calgary AB T2P 3G7

Dear Ms. Nau:

**RE: INTERIM COMMINGLED PRODUCTION APPROVAL  
HUSKY EKWAN b-32-C/94-I-09; WA# 22003**

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The Oil and Gas Commission has reviewed your application dated February 22, 2008, for interim approval to commingle gas production from the Bluesky and Elkton zones in the subject well.

Commingled production approvals for the Bluesky "A" and Elkton "A" pools within the Ekwan field have previously been granted for seven wells. The base of the Bluesky porosity and the top of the Elkton porosity are separated by only a few meters of tight shale. The close proximity of these two zones can result in both zones being commingled behind casing after fracture stimulation. Commingled production from the Bluesky and Elkton zones, expected to be encountered in the subject well, is expected to maximize production and recovery from these two zones. Both zones contain sweet gas at similar reservoir pressures. Husky Oil is the operator of all wells in both pools.

We wish to advise that your application to commingle production from the Bluesky and Elkton formations 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. Production from the Bluesky and Elkton formations may be commingled.
2. The measurement and reporting of the initial reservoir pressure for the commingled Bluesky and Elkton zone, as required per Section 95(1) of the *Regulation*.
3. A measurement of the absolute open flow potential of the commingled zones may be filed in lieu of testing individual zones, under Section 84 of the *Regulation*.
4. A supplemental application for commingled production must be submitted, with the results of completion operations, and proposed allocation factors for production reporting.

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

Sincerely,

Richard Slocomb, P.Eng.  
Supervisor, Reservoir Engineering  
Resource Conservation

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**RESOURCE CONSERVATION**

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