



OIL AND GAS COMMISSION

December 12, 2005

2020-4800/ 6490-4100-59070-20
OGC – 05353

Jane MacTaggart
VP Exploitation
Iteration Energy Ltd.
Suite 700, 700 – 2nd Street SW
CALGARY AB, T2P 2W1

Dear Ms. MacTaggart:

RE: COMMINGLED PRODUCTION APPROVAL AMENDMENT
Iteration Osborn 16-30-088-14 W6M; WA# 19673

The OGC has reviewed your application dated November 22, 2005, for approval to commingle gas production from the Baldonnel and Halfway formations in the subject well.

The Commission has designated the gas pools under application to be the Osborn – Baldonnel “C” and Boundary Lake North – Halfway “R”.

At this time only the production test data for each of the two zones is available. Based on the data presented in your application, the Baldonnel is capable of 37 10³m³/d at a FTHP of 1400 kPa and the Halfway is capable of 31 10³m³/d at a FTHP of 4385 kPa. Both zones are capable of sustained economic production when produced in a segregated manner. In view of this your request for commingling is considered premature at this time. We would be prepared to re-consider your request for commingling once the zones become uneconomic.

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

Sincerely,

Richard Slocomb, P. Eng.
Acting Director
Resource Conservation Branch

Approval Letters to Industry
COMMINGLED PRODUCTION

- Copy 8
- Wellfile (originals)
 - 59070-20
 - Daily
 - Resource Revenue
 - R. Stefik
 - G. Farr
 - R Slocomb
 - D. Krezanoski

RESOURCE CONSERVATION BRANCH

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