Oil and Gas Commission

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Ms. Pauline Chung, P. Geol.

January 4, 1999

NEBC Team Numac Energy Inc. 321 - 6th Avenue SW Calgary AB T2P 3H3

Dear Ms. Chung:

RE: APPLICATION FOR COMMINGLED PRODUCTION NUMAC MARTIN a-43-G/94-H-6; WA# 10075

The Commission has reviewed your application dated December 21, 1998 requesting permission to commingle gas production from the Bluesky 'H' and Baldonnel 'I' pools encountered in the subject well.

Reservoir pressure and fluid composition are similar for the two pools. Commingling would minimize surface disturbance as well as increasing the production life of the well, thereby increasing the recoverable reserves.

We wish to advise you that your application to commingle production from these two formations 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 (1091.0 1093.5 mKB) and Baldonnel (1115.0 1131.5 mKB) formations may be commingled.
- 2. Gas, condensate and water production should initially be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Bluesky 15% and Baldonnel 85%. The allocation factors may be amended to reflect results of future tests, as proposed in your application.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincere

Bou van Oort, P. Eng.

Director

Engineering and Geology Branch

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