



March 26, 2004

3340-2000/2800-59070-20
OGC - 04115

Eyon Butterworth, P.Eng.
Reservoir Engineer, Operations
Pengrowth Corporation
2900, 111 - 5th Avenue S.W.
CALGARY AB T2P 3Y6

Dear Mr. Butterworth:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
PENGROWTH ET AL CUTBANK d-7-B/93-P-08; WA# 14576**

The Commission has reviewed your application dated February 26, 2004, requesting permission to commingle gas production from the Paddy and Cadomin zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Cutbank -- Paddy "F" and Cadomin "D". Both are single well pools, producing sweet gas. Any potential crossflow should be minimal and have no effect on ultimate gas recoveries. Commingled completion is expected to increase recoverable gas reserves from these zones by mitigating potential liquid loading issues.

We wish to advise you that your application to commingle production is hereby approved, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Paddy (1906.0–1910.0 mKB) and Cadomin (2497.0–2503.0 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 basis of Paddy 40% and Cadomin 60%.
3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

Peter Attariwala, P.Eng.
Supervisor
Reservoir Engineering

COMMINGLED PRODUCTION

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- Wellfile (originals)
- 59070-20
- Daily
- Resource Revenue
- R. Stefik
- G. Farr
- P.S. Attariwala
- D. Krezanoski

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