



March 3, 2008

7250-2700/2400-59070-20

Lisa Telang
Senior Exploitation Engineer
Pengrowth Corporation
2100, 222 – 3rd Avenue S.W.
CALGARY AB T2P 0B4

Dear Ms. Telang:

**RE: COMMINGLED PRODUCTION APPROVAL
PENGROWTH PICKELL a-051-L/094-A-15; WA# 21814**

The Commission has reviewed your application dated January 30, 2008, requesting permission to commingle gas production from the Gething and Notikewin zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Pickell – Gething “U” and Notikewin “B”. The Notikewin “B” pool is a multi-well pool containing 8 wells. The subject well is located on the outer edge of the pool. The Gething “U” pool is a single well pool. Both pools produce sweet gas. The Gething is currently producing through the tubing of the subject well at $2.0 \times 10^3 \text{ m}^3/\text{d}$ and the Notikewin is producing through the annulus at $1.5 \times 10^3 \text{ m}^3/\text{d}$. Commingled production is expected to increase recoverable gas reserves from these zones by mitigating 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 Gething (1029.0–1050.0 mKB) and Notikewin (760.0–772.0 mKB) zones may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Provincial Revenue BC S-1, BC S-2 and BC S-8 forms on the basis of Gething 55% and Notikewin 45%.
3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Should you have any questions, please contact the undersigned at (250) 952-0366 or Kelly Okuszko at (250) 952-0325.

Sincerely,

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering

RESOURCE CONSERVATION

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