



August 3, 2004

5000-4150/4800-59070-20
OGC - 04234

Jennifer Taylor
Production Engineer
Petro-Canada Oil and Gas
P.O. Box. 2844
Calgary AB T2P 3E3

Dear Ms. Taylor:

RE: INTERIM COMMINGLED PRODUCTION APPROVAL
PC JEDNEY d-29-F/94-G-8; WA# 17907

The Oil and Gas Commission has reviewed your application dated July 5, 2004, requesting interim approval to commingle gas production from the Baldonnel/Upper Charlie Lake and Halfway zones in the subject well. The subject well has been proposed to be drilled within the boundaries of what the Commission designates as the Baldonnel/Upper Charlie Lake "A" and Halfway "A" gas pools.

As noted in your application, the OGC has previously approved commingled production from these same pools for a number of wells, in order to maximize production and recoveries. However, these prior approvals were granted to mature wells with established production histories, whereas the well under application has yet to be drilled. Although both zones appear to be good candidates for commingled production, off-setting production from the Baldonnel/Upper Charlie Lake zone indicates the potential for significant production rates. If economic rates are encountered within either zone the Commission may require segregated production. The subject location is within an approved gas GEP area for both zones.

We wish to advise you that your application to commingle production from these pools is hereby granted **interim** approval, under the authority of section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. A production test must be completed to establish the AOF, and initial reservoir pressure for both productive zones, and reports filed as per the requirements of Sections 84 and 95 of the Regulation.
2. A formal application for commingled production must be submitted with supporting test data, gas analysis and proposed allocation factors for production reporting.
3. Formal approval for commingled production **will not** be authorized until all of the conditions above have been met.

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

Sincerely,

Richard Slocomb, P. Eng.
Supervisor,
Reservoir Engineering

Approval Letters to Industry
COMMINGLED PRODUCTION

Copy 9

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

RICHARD SLOCOMB

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