December 22, 1999

5200-4500/4800-59070-20 OGC 990578

Mr. Ken McNeil Production Engineer Petro-Canada P.O. Box. 2844 Calgary AB T2P 3E3

Dear Mr. McNeil:

RE: APPLICATION FOR COMMINGLED PRODUCTION PCI KOBES D-15-A/94-B-9; WA# 6666

The Commission has reviewed your application dated November 22, 1999 requesting permission to commingle gas production from the Charlie Lake and Halfway zones encountered in the subject well.

The Commission has designated the gas pools in this well to be Charlie Lake "B" (for all the Charlie Lake stray sands in the well) and Halfway "A" of the Kobes field. Commingling approval is granted as both formations are in pressure communication behind pipe.

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

- 1. Production from the Charlie Lake "B" and Halfway "A" pools may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Charlie Lake 15 % and Halfway 85%.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

B. van Oort, P. Eng.

Director

Engineering and Geology Branch