



February 2, 2004

0800-4100/4800-59070-20
OGC - 04033

Nicole Yuen
Reservoir Engineering Technologist
Petro-Canada Oil and Gas
P.O. Box. 2844
Calgary AB T2P 3E3

Dear Ms. Yuen:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
PEX ET AL BEG b-A99-B/094-G-01; WA# 739**

The Commission has reviewed your application dated January 20, 2004 requesting permission to commingle gas production from the Baldonnel and Halfway zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Beg field Baldonnel "A" and Halfway "A" pools.

The Halfway "A" pool is a mature near depleted multi-well gas pool. The Baldonnel "A" pool is a heterogeneous multi-well reservoir with intermittent pockets of good porosity and permeability. Both pools contain wells operated by Petro-Canada and CNRL. CNRL has written a letter (November 19, 2003) indicating that they have no objection to the commingling application.

Gas compositions are similar for the two zones, both being sour. Reservoir pressures are dissimilar with the Baldonnel zone having a considerably higher pressure than the depleted Halfway zone. However, commingled completions should allow the marginal Baldonnel zone to be produced economically, thereby increasing gas recovery. The proposed completion incorporating a sliding sleeve and down hole check-valve will allow for zonal segregation during periods of extended shut-in.

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 Baldonnel (1375.6-1395.6 mKB) and Halfway (1600.4-1639.6 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 Baldonnel 25 % and Halfway 75%.
3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

COMMINGLED PRODUCTION

Copy 8

<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	P.S. Attariwala
<input type="checkbox"/>	D. Krezanoski

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250)
Location: 6th Flr 1810 Blanshard St. Victoria BC

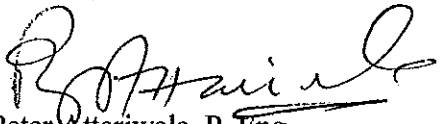
Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5700

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Page 2

If you have any questions, please contact Richard Slocomb at (250) 952-0366.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Attariwala". The signature is fluid and cursive, with a prominent initial "P" and a long, sweeping tail.

Peter Attariwala, P. Eng.

Supervisor,
Reservoir Engineering