February 28, 2001

5850-2600/4100-59070-20 OGC - 01050

Mr. Charles Lefebvre, P. Eng. Team Leader, Martin Creek Area Pioneer Natural Resources Canada Inc. 2900, 255 - 5th Avenue SW Calgary AB T2P 3G6

Dear Mr. Lefebyre:

RE: APPLICATION FOR COMMINGLED PRODUCTION PIONEER MARTIN b-96-D/94-H-6; WA# 11913

The Commission has reviewed your application dated January 8, 2001 requesting permission to commingle gas production from the Bluesky and Baldonnel zones encountered in the subject well.

The Commission recognizes these two gas pools as the Martin Bluesky "K" and Baldonnel "A".

Reservoir pressure and gas compositions are very similar for the two pools. Commingled completion would increase the productive life of the well, thereby increasing the recoverable reserves. It should be noted that Anderson Exploration, operator of other gas wells in the Martin Bluesky"K" and Baldonnel "A" pools, has submitted a letter dated February 23, 2001 advising that they have no objection to the commingling proposal.

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

- 1. Production from the Bluesky (1072.5 1075.0) and Baldonnel (1110.0 1124.5 mKB) formations may be commingled.
- 2. Gas, condensate and water production should initially be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Bluesky 65 % and Baldonnel 35%. The allocation factors may be amended to reflect results of any future tests.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,	Approval Letters to Industry COMMINGLED PRODUCTION
Craig Gibson, P. Eng. Manager Reservoir Engineering and Geology	Copy 8 Wellfile (originals) 59070-20 Daily Resource Revenue R. Stefik
ENGINEERING AND GEO PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Location: 6 th Flr 1810 Blansh	G, Farr P.S. Attariwala D. Krezanoski ?-0291