



September 5, 2007

8160-2600/2700-59070-20

Max Vorobiev, P. Eng.  
Sr. Exploitation Engineer  
ProEx Energy Ltd.  
1200, 205 – 5th Avenue S.W.  
CALGARY, AB T2P 4B9

Dear Mr. Vorobiev:

**RE: APPLICATION FOR COMMINGLED PRODUCTION  
PROEX W BEG a-67-C/94-G-1; WA# 19628**

Commission staff has reviewed your application dated August 10, 2007 requesting permission to commingle gas production from the Bluesky and Gething zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Town – Bluesky “E” and Gething “A”. Although the Bluesky “E” pool has been delineated by 9 wells, only one well (a-56-C/94-G-1; WA 19506) has been placed on continuous production. The Bluesky in the subject well was flow tested at  $6 \times 10^3 \text{ m}^3/\text{d}$ , following a frac treatment. The Gething is a multi-well pool. The Gething in the subject well was placed on production through tubing in September 2006 and is currently producing at a rate of  $9.3 \times 10^3 \text{ m}^3/\text{d}$  with cumulative production being  $3.4 \times 10^6 \text{ m}^3$ . The Bluesky zone would not be capable of production through the annulus due to liquid loading. We concur that commingled production through the tubing will result in increased recovery of reserves from both zones. Both pools contain sweet gas.

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 Bluesky (1332.0–1345.0 mKB) and Gething (1384.0–1391.0 mKB) zones may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Small Business and Revenue BC S-1 and BC S-2 forms on the basis of Bluesky 25% and Gething 75%.
3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

Richard Slocomb, P. Eng.  
Supervising Reservoir Engineer

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**RESOURCE CONSERVATION BRANCH**

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