



April 12, 2005

Max Vorobiev, P.Eng.  
Exploitation Engineer  
ProEx Energy Ltd.  
Suite 1400, 440 – 2<sup>nd</sup> Avenue S.W.  
CALGARY, AB T2P 5E9

Approval Letters to Industry  
**COMMINGLED PRODUCTION**

Copy 8

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

8400-2800/4510-59070-20  
OGC – 05123

Dear Mr. Vorobiev:

**RE: APPLICATION FOR TEMPORARY COMMINGLED PRODUCTION  
PROEX WILDMINT d-9-D/94-H-1; WA# 18834**

The Commission has reviewed your application dated April 4, 2005, requesting permission to commingle gas production from the Cadomin and Siphon zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Wildmint field – Cadomin “A” and Siphon “A”. Both pools contain sweet gas at similar current reservoir pressure. The Cadomin zone, flowing up the annulus, is currently flowing at less than 10.0 10<sup>3</sup> m<sup>3</sup>/d and is experiencing liquid loading problems. Both zones have been granted discovery well designation. The Commission prefers collection of segregated production and pressure information for new discoveries until such time as an accurate reserve estimate can be established. However, the subject well is in an area with winter access and additional segregated data from the Cadomin zone would not be possible due to liquid loading. ProEx Energy has installed a sliding sleeve to allow for segregation of the two zones. Temporary commingled production will allow depletion of the Cadomin and Siphon zones, while retaining the ability to test each zone separately in order to verify production allocation and establish reservoir pressures once access to the well is re-established.

Your application to commingle production is hereby approved on a **temporary basis**, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Cadomin (1027.0–1029.0 mKB) and Siphon (1039.0–1041.5 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 Cadomin 40% and Siphon 60%.
3. Once access to the subject well becomes available in the winter 2005/2006 a production test must be completed to establish well deliverability and reservoir pressure for each producing zone, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.

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**RESOURCE CONSERVATION BRANCH**

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Headquarters: #200, 10003 110<sup>th</sup> Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5700 Fax: (250) 261-5744  
www.ogc.gov.bc.ca

4. A formal application for commingled production, as outlined in the "Guideline for Approval to Commingle Production from Two or More Zones", available from the OGC website, must be submitted with supporting test data, gas analysis and proposed allocation factors for production reporting.
5. Formal approval for commingled production will not be authorized until conditions 3 and 4 above have been met.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb', written in a cursive style.

Richard Slocomb, P.Eng.  
Supervisor,  
Reservoir Engineering