

February 18, 2008

3320-2600/2700-59070-20

Jim Stannard, P.Eng.
Director of Engineering
Progress Energy
1200, 205 – 5th Avenue S.W.
CALGARY AB T2P 2V7

Dear Mr. Stannard:

RE: COMMINGLED PRODUCTION APPROVAL PROGRESS CURRANT c-21-D/94-A-16; WA# 16637

The Commission issued an "interim" commingled production approval on June 22, 2004 for the Bluesky and Dunlevy formations of the subject well. Subsequent testing of the Bluesky interval indicted that this formation is unproductive in this well. The zone originally identified as Dunlevy has been mapped as the Currant field Gething "C" gas pool.

The segregating packer has been removed to allow the plunger lift to work more efficiently for the Gething zone, leaving the intervals in a commingled state with no noticeable negative effect on production. The required initial reservoir pressure, AOF and gas analysis were submitted for the Gething zone, on production since March 2004 and reporting to the single zone. Commingled production approval will recognize the present well bore configuration.

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 (1021.0–1029.0 mKB) and Gething (1038.5–1043.5 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, BC S-2 and BC-08 forms on the basis of Gething 100%.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Should you have any questions, please contact the undersigned at (250) 952-0310.

Sincerely,

Ron G. Stefik, AScT

Sr Reservoir Engineering Technologist