

August 14, 2002

380-4582/4800-59070-20 OGC - 02133

David Penton
NEBC Growth Team Technologist
Samson Canada Ltd.
2400, 300 – 5th Avenue S.W.
CALGARY AB T2P 3C4

Dear Mr. Penton:

RE: APPLICATION FOR COMMINGLED PRODUCTION COURAGE BEAR FLAT 13-33-83-20 W6M; WA# 12629

The Commission has reviewed your application dated July 31, 2002 requesting permission to commingle gas production from the Charlie Lake and Halfway zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Bear Flat "C" and Halfway "A". It is noted that both zones are off-target for gas production. However, new pool discovery designations have been granted to both pools. Accordingly, the off-target penalties do not apply.

Gas compositions are similar for the two pools, both being slightly sour. There are no equity concerns as both pools are single well pools. Commingled completion is expected to increase recoverable gas reserves. 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 Bear Flat (1307.0-1309.0 mKB) and Halfway (1450.0-1456.0 mKB) zones may be commingled.
- Gas, condensate and water production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the following percentage basis:

	<u>Bear Flat</u>	<u>Halfway</u>
Gas	40	60
Condensate	98	2
Water	96	4

3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Approval Letters to Industry

Sincerely,

Peter Attariwala, P.Eng.

Supervisor

Reservoir Engineering

Copy 8
Wellfile (originals)
59070-20
Daily
Resource Revenue
R. Stefik
G. Farr
P.S. Attariwala

D. Krezanoski

COMMINGLED PRODUCTION

ENGINEERING AND GEOLOGY BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291 Location: 6th FIr 1810 Blanshard St. Victoria BC