



February 16, 2004

3600-4580/6200-59070-20
OGC - 04070

Gordon McIntosh, P.Eng.
Senior Exploitation Engineer
Samson Canada Ltd.
2400, 300 - 5th Avenue S.W.
Calgary AB T2P 3C4

Dear Mr. McIntosh:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
SAMSON FT. ST. JOHN 13-14-083-18; WA# 0194**

The Commission has reviewed your application dated February 5, 2004 requesting permission to commingle gas production from the North Pine and Belloy zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Fort St. John field North Pine "A" and Belloy "H" pools. The North Pine "A" pool is very mature with all but one of its eleven wells shut-in. All of the wells in the North Pine "A" pool are contained within two Samson operated concurrent production schemes. The Belloy "H" pool is a single well pool with limited aerial extent. As noted in your application reservoir pressures and gas compositions are not similar for the two pools, the North Pine pool being a depleted sweet zone while the Belloy is slightly sour at near virgin pressure.

The North Pine and the Belloy zones have very low production rates; as such the economics of segregated production are marginal. 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 North Pine (1318.7-1320.2 mKB) and Belloy (1892.2-1914.0 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:

	<u>North Pine %</u>	<u>Belloy %</u>
Gas	50	50
Condensate	100	0
Water	100	0

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

Sincerely,

Peter Attariwala, P.Eng.
Supervisor
Reservoir Engineering

**Approval Letters to Industry
COMMINGLED PRODUCTION**

Copy 8

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

RESOURCE CONSERVATION BRANCH

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