



July 12, 2005

8360-4580/4800-59070-20
OGC – 05205

Maninder Mangat
Exploitation Engineer
Samson Canada Ltd.
2400, 300 – 5th Avenue SW,
CALGARY AB, T2P 3C4

Dear Mr. Mangat:

**RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL
SAMSON ET AL FT ST JOHN 07-04-084-19 W6M; WA# 18154**

The OGC has reviewed your application dated May 16, 2005, for approval to commingle gas production from the North Pine and Halfway formations in the subject well.


The Commission has designated the gas pools under application to be the Wilder – North Pine “A” and Halfway “D”. The North Pine “A” has been mapped as a three well pool. The North Pine zone in the subject well was tested and determined to be incapable of production. The Halfway “D” has been mapped as a multi-well pool. The Halfway in the subject well tested at 5.0 10³ m³/d but is incapable of producing due to liquid loading problems. Samson has proposed installing a plunger lift system to lift fluids and maximize production from the Halfway zone. The North Pine is currently isolated in the annulus, and the annular volume is required to operate the plunger list system. Commingled production will extend the productive life of the Halfway zone and maximize recovery. Both zones are sour gas.

We wish to advise you that your application to commingle production from these zones is hereby granted approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the North Pine (1403.0 – 1404.5 mKB) Halfway (1537.5 – 1542.6 mKB) formations may be commingled.
2. Gas, water and condensate production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the basis of North Pine 0 % and Halfway 100 %. The allocation factors may be amended to reflect results of any future tests.
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) 952-0366.

Sincerely,


Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering

**Approval Letters to Industry
COMMINGLED PRODUCTION**

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<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	R Slocomb
<input type="checkbox"/>	D. Krezanoski

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