

OIL AND GAS COMMISSION

March 10, 2004

Cal Bray
Senior Exploitation Engineer
Suncor Energy Inc.
PO Box 38
112 4th Avenue S.W.
CALGARY AB T2P 2V5

Dear Mr. Bray:

RE: INTERIM COMMINGLED PRODUCTION APPROVAL SUNCOR KELLY c-33-J/93-P-01; WA# 15844

The OGC has reviewed your application dated February 24, 2004, for interim approval to commingle gas production from the Falher, Gething and Cadomin zones in the subject well.

As noted in your application reservoir pressures are dissimilar for the three zones; underpressured Falher, partially depleted Gething and recently completed Cadomin at virgin pressure. Gas compositions are expected to be similar, all three zones being sweet. Reserve size and production rates appear to be small in this area and commingled completion should allow these zones to be completed and produced in an economic manner, thereby increasing well gas recovery. The OGC supports Suncor's proposal to run a packer with sliding sleeve above the Cadomin formation to enable segregation of the lower pressure Falher and Gething zones from the higher pressure Cadomin for the duration of any extended shut-in.

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

- 1. A production test must be completed to establish the AOF and initial reservoir pressure for the recently completed Cadomin zone, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
- 2. A formal application for commingled production must be submitted with supporting test data, gas analysis and proposed allocation factors for production reporting both gas and liquids.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

A complete copy of the well test report dated August 21, 2003, Gething zone, with both pressure recorder data and field notes, must be submitted.

A Reservoir Pressure Survey Test (PST) Report must be filed for the Falher zone, with a calculation of the initial reservoir pressure. However, the Falher zone is hereby exempt from the AOF test requirement under Section 84 of the *Regulation*.

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R. Stefik G. Farr P.S. Attariwala

D. Krezanoski

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Resource Revenue

Should you have any questions, please contact the undersigned at (250) 952-0311 or Richard Slocomb at 952-0366.

Sincerely,

P. S. Attariwala Supervisor

Reservoir Engineering