

December 20, 2007

9000-2700/2800/2850-59070-20

Jennie Wong Sr. Development Specialist Talisman Energy Inc. Suite 2000, 888 3<sup>rd</sup> Street S.W. CALGARY, AB T2P 5C5

Dear Ms. Wong:

RE: APPLICATION FOR INTERIM COMMINGLED PRODUCTION APPROVAL TALISMAN COMMOTION d-35-B/93-P-12; WA# 22836

TALISMAN BULLMOOSE d-09-I/93-P-03; WA# 22540

The OGC has reviewed your application dated November 6, 2007, for interim approval to commingle gas production from the Cadotte, Falher, Gething, Cadomin and Nikanassin formations in the subject wells.

The subject wells have been drilled and several intervals in each well have been identified as having hydrocarbon potential. The subject wells failed casing pressure tests prior to commencement of completion operations. As a result of discussions between the OGC and Talisman it was agreed that only the Gething, Cadomin, and Nikanassin zones were to be completed in the subject wells. These three zones have been identified within both the Deep Basin and Outer Foothills area approvals as benefiting from commingled production. Therefore the Commission agrees that commingling of these marginal zones will maximize production and reserve recovery. Fiber-optic distributed temperature sensor analysis (DTS) has been proposed for determining the relative contribution of each producing interval within the commingled streams.

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

- 1. Production from the Gething, Cadomin, and Nikanassin formations may be commingled.
- 2. Information from successful Perforation Inflow Diagnostic (PID) tests may be used to satisfy the initial reservoir pressure requirements for all productive zones, and reports must be filed as per the requirements of Sections 95 of the *Regulation*.
- 3. The subject wells are hereby exempt from measurement of absolute open flow potential, under Section 84(2) of the *Regulation*, for the Gething, Cadomin and Nikanassin formations in the subject well.
- 4. 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.

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5. Formal approval for commingled production will not be authorized until all of the conditions above have been met.

Should you have any questions, please contact Ron Stefik at (250) 952-0310 or the undersigned at (250) 952-0366.

Sincerely,

Richard Slocomb, P. Eng.

Supervisor, Reservoir Engineering