



October 3, 2007

9000-2000/2200/2500/2700/2710/2800/2850-59070-20

Jennie Wong
Sr. Development Specialist
Talisman Energy Inc.
Suite 3400, 888 3rd Street S.W.
CALGARY, AB T2P 5C5

Dear Ms. Wong:

**RE: APPLICATION FOR INTERIM COMMINGLED PRODUCTION APPROVAL
TALISMAN COMMOTION b-86-A/93-P-12; WA# 22658**

The OGC has reviewed your application dated September 20, 2007, for interim approval to commingle gas production from Paddy, Cadotte, Falher, Gething, Lower Gething, Cadomin and Nikanassin formations in the subject well.

The subject well has recently been drilled and Talisman is currently on location undertaking the completion of seven zones identified as having hydrocarbon potential. The subject well is over 8 kilometers from the nearest well targeting the same formations and is the first well within this new structural play. Talisman is attempting to fully evaluate the hydrocarbon potential in all prospective zones, while simplifying operational requirements. Talisman proposes to commingle production from the Gething, Lower Gething, Cadomin and Nikanassin up the tubing and the Falher, Cadotte and Paddy up the tubing/casing annulus. Initial results from the Lower Gething, Cadomin and Nikanassin zones indicate marginal production rates, supporting commingled production from these zones. Fiber-optic distributed temperature sensor analysis (DTS) has been proposed for determining the relative contribution of each producing interval within the commingled streams. The Commission agrees that commingling of the marginal zones will maximize production and reserve recovery.

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 Paddy, Cadotte, Falher and Gething, Lower Gething, Cadomin, Nikanassin formations may be commingled.
2. Information from successful mini-frac treatments 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 well is hereby exempt from measurement of absolute open flow potential, under Section 84(2) of the *Regulation*, for the Lower Gething, Cadomin and Nikanassin formations in the subject well.

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RESOURCE CONSERVATION BRANCH

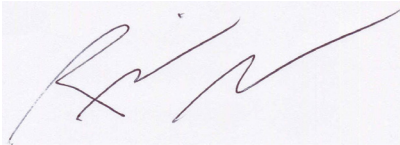
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4. Should productivity of the Gething or Falher zones exceed a normalized inflow capability of $60.0 \times 10^3 \text{ m}^3/\text{d}$, extended segregated production and pressure testing may be required.
5. Should the well show a good initial pressure response after perforation an attempt to flow the Paddy and Cadotte zones should be made to establish zone productivity. Should pre-stimulation productivity from either zone exceed $40.0 \times 10^3 \text{ m}^3/\text{d}$, segregated stimulation and testing should be carried out.
6. Should post-stimulation productivity from the commingled Paddy and Cadotte zones exceed a normalized inflow capability of $60.0 \times 10^3 \text{ m}^3/\text{d}$, segregated flow and build up information may be required.
7. 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.
8. 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,

A handwritten signature in black ink, appearing to read 'R. Slocomb', is written over a light blue rectangular background.

Richard Slocomb, P. Eng.
Supervising Reservoir Engineering