

July 3, 2003

2000-4520/4540-59070-20 OGC - 03160

Ann Green
Engineering Technologist
Taurus Exploration Canada Ltd.
1000, 630 – 6th Avenue S.W.
Calgary AB T2P 0S8

Dear Ms. Green:

RE: APPLICATION FOR COMMINGLED PRODUCTION
PETROREP ET AL BOUNDARY 10-12-87-14 W6M; WA# 7694

The Commission has reviewed your application dated June 26, 2003 requesting permission to commingle gas production from the Cecil and Coplin zones encountered in the subject well.

The Commission designates these gas pools as the Boundary Lake Cecil "C" and Coplin "C".

The Cecil "C" is a single well pool; the Coplin "C" is being produced from two wells. Both pools appear to contain limited remaining reserves, of similar gas composition, and are currently capable of production at only very low rates. Commingled completion is expected to increase the productive life of the well thereby increasing the recoverable reserves from both pools.

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

- 1. Production from the Cecil (1315.0 1317.0 mKB) and Coplin (1364.0 1367.0 mKB) formations may be commingled.
- 2. Gas, condensate and water production should initially be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the basis of Cecil 50% and Coplin 50%. 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.

Please note that the requirement for an absolute open flow potential test for the Cecil zone, as required

under Section 84 of the *Regulation*, is hereby waived, as per Section 84(2).

Sincerely,

Approval Letters to Industry COMMINGLED PRODUCTION
Copy 8

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