

February 14, 2006

7250-2600/2700/2710-59070-20 OGC - 06053

James Jackson, P.Eng. CFA Exploitation Engineer Temple Energy Inc. 1300, 530 8<sup>th</sup> Avenue SW Calgary, Alberta T2P 3S8

Dear Mr Jackson:

RE: APPLICATION FOR COMMINGLED PRODUCTION APPROVAL RELENTLESS ET AL MIKE b-20-H/94-H-3; WA# 19642

The OGC has reviewed your application dated February 8, 2006, for approval to commingle gas production from the Bluesky, Gething and Lower Gething formations in the subject well.

The Commission has designated the gas pools under application to be the Pickell – Gething "K" and Pickell – Lower Gething "A". The Bluesky was incapable of production after perforation and therefore no pool has been designated. Both the Gething and Lower Gething have been mapped as single well pools. The Gething zone tested at 1.5  $10^3$  m³/d, while the Lower Gething zone tested at 3.8  $10^3$  m³/d. Both of these zones are considered marginal and as such commingled production is expected to maximize production and reserve recovery.

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 Bluesky (1018.5 1019.5 mKB), Gething (1041.5 1144.5 mKB) and Lower Gething (1096.5 1099.5 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 Bluesky 0 %, Gething 35 % and Lower Gething 65%. 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.

Richard Slocomb, P. Eng. Supervisor, Reservoir Engineering	Approval Letters to Industry COMMINGLED PRODUCTION Copy 8 Wellfile (originals) 59070-20 Daily Resource Revenue R. Stefik G. Farr R Slocomb
	D. Krezanoski