



May 16, 2006

7250-2600/2700-59070-20  
OGC - 06188

James R. 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  
TEMPENG ET AL MIKE d-16-H/94-H-3; WA# 19662**

The OGC has reviewed your application dated March 31, 2006 for approval to commingle gas production from the Bluesky and Gething formations in the subject well.

The Commission has designated the gas pool under application to be the Pickell - Bluesky "I". The Gething was incapable of production after perforation and fracture treatment therefore no pool has been designated. The Bluesky is a small single well pool that has been reclassified to EW based on virgin reservoir pressure and relative isolation from surrounding poor reservoir quality zones. The Bluesky zone was perforated, frac'd and flowed at a final rate of 9.5 10<sup>3</sup> m<sup>3</sup>/d. Based on no flow from the Gething, all production is expected from the Bluesky. It is expected that leaving Bluesky and Gething perforations open should maximize gas 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 (1008.0 - 1009.0 mKB) and Gething (1088.0 - 1095.0 mKB) formations may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Small Business and Revenue BC S-1 and BC S-2 forms on the basis of Bluesky 100 % and Gething 0 %.
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.

Sincerely,

Richard Slocomb, P. Eng.  
Supervisor  
Reservoir Engineering

**Approval Letters to Industry  
COMMINGLED PRODUCTION**

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<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	R Slocomb
<input type="checkbox"/>	D. Krezanoski

**RESOURCE CONSERVATION BRANCH**

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