August 23, 2006 7250-2700/2710-59070-20

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: COMMINGLED PRODUCTION APPROVAL TEMPENG ET AL PRESPATOU a-74-B/94-H-3; WA# 19667

The OGC has reviewed your application dated March 28, 2006 for approval to commingle gas production from the Upper Gething and Middle Gething formations in the subject well.

The Commission has designated the gas pools under application to be the Pickell – Gething "I" and Lower Gething "C". The Gething is mapped as a 3 well gas pool whereas the Lower Gething is a small single well gas pool.

Both the Gething and Lower Gething zones were perforated, frac'd and flowed at a final rate of  $31.6\ 10^3\ m^3/d$  and  $2.8\ 10^3\ m^3/d$ , respectively. Gas compositions for both zones are similar. Commingled completion should allow the potentially marginal Lower Gething zone to be produced, thereby increasing gas 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 Gething (1082.0 1125.0 mKB) and Lower Gething (1147.7 1148.7 mKB) zones 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 Gething 90 % and Lower Gething 10 %.
- 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