December 19, 2008

7340-2600/2700-59070-20

Joey Wright Temple Energy Inc. 700, 326 – 11th Avenue SW Calgary AB T2P 0C5

Dear Mr. Wright:

RE: INTERIM COMMINGLING APPROVAL TEMPENG ET AL PRESPATOU b-36-B/94-H-3; WA# 24749

The Commission has reviewed your application dated December 12, 2008 requesting interim approval to commingle gas production from the Bluesky and Gething formations in the subject well.

The subject well is within the commingling area approval issued to Temple on December 22, 2006. However, the subject well has encountered a very thin Bluesky and Gething zone. Both zones are anticipated to be marginal completion targets, based on analog off-set well logs, and as such Temple would like to explore an alternative to traditional segregated flow and build-up tests. Temple will attempt to establish initial pressures with pre-fracture diagnostic injection fall-off tests (mini-frac tests) and will perform a production log to determine relative flow contribution from each zone.

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. The subject well is hereby exempt from measurement of initial reservoir pressure, under Section 95(2) of the Regulation, for the Bluesky and Gething formations in the subject well.
- 2. The subject well is hereby exempt from measurement of absolute open flow potential, under Section 84(2) of the Regulation, for the Bluesky and Gething formations in the subject well.
- 3. A production log must be run over the commingled intervals to determine relative contribution from each zone for production allocation purposes.
- 4. A formal application for commingled production must be submitted with supporting data with the results of the proposed spinner survey, mini-frac tests, completion information, gas analysis and proposed allocation factors for production reporting.
- 5. 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 the undersigned at (250) 952-0366.

Sincerely,

Richard Slocomb, P. Eng.

Supervisor, Reservoir Engineering