

May 2, 2005

8100-4100-59240-07 OGC - 05146

David Mitchell, P.Eng. Senior Exploitation Engineer Baytex Energy Ltd. 2200, 205 – 5th Ave S.W. CALGARY, AB T2P 2V7

Dear Mr. Mitchell:

RE: APPLICATION FOR CONCURRENT PRODUCTION APPROVAL STODDART WEST - BALDONNEL "C" POOL

Oil and Gas Commission staff have reviewed the application, dated April 22, 2005, for Concurrent Production scheme approval for the Stoddart West field Baldonnel "C" pool.

This pool began production in February 2004 from the single well Baytex et al W Stoddart 5-25-87-21 W6M (WA# 16629), under a daily oil allowable (DOA) of 18.9 m³. A production trend can not yet be established for this well. Based on mapping included in the application, this pool may extend over multiple undrilled oil spacing areas.

Concurrent Production approval may be approved for oil pools where high associated gas production is characteristic of producing wells and, no opportunity for enhanced oil recovery exists.

Due to the lack of reserves definition for this pool and the potential opportunity for additional oil wells, producing at lower gas-oil ratio for improved primary oil recovery, your application for Concurrent Production can not be considered at this time.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,	Approval Letters to Industry GEP, SWD, CONCURRENT PROD,
Jeff Chrom for.	PRESSURE MAINTENANCE, WATERFLOOD, ETC. Copy 9 Wellfile (originals) 59240
Craig Gibson, P. Eng. Director Resource Conservation Branch	Daily Resource Revenue S. Chicorelli R. Stefik G. Farr R. Slocomb D. Krezanoski