January 24, 2007

2100-2200/9030-2800-59070-20

Neil Rubeniuk Engineering Supervisor ConocoPhillips Canada Resources Corp. 401-9th Avenue S.W PO Box 130, Station "M" Calgary, Alberta T2P 2H7

Dear Mr. Rubeniuk:

RE: APPLICATION FOR COMMINGLED PRODUCTION BRC HTR BRASSEY d-89-C/93-P-10; WA# 17740

The OGC has reviewed your application dated December 5, 2006, requesting approval to commingle gas production from the Cadotte and Cadomin formations in the subject well.

The Commission has designated the gas pools under application to be the Brassey – Cadotte "D" and Deep Basin – Cadomin "A".

The Cadotte has been mapped as a very small single well pool. The Cadotte in the subject well has never been placed on continuous production, however it flowed at 9.85 10³ m³/d after completion. The Cadomin has been mapped as part of the large regional pool in the Deep Basin area. The Cadomin in the subject well has been on production since October 2004 and is currently producing at 8.1 10³ m³/d. The Commission believes that commingled production will result in increased reserves recovery. Both zones are sweet gas.

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 Cadotte (1606.5 1610.5 mKB) and Cadomin (2251.5 2268.0 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 Cadotte 50 % and Cadomin 50%. 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.

Sincerely,

Richard Slocomb, P. Eng.

Supervising Reservoir Engineer