

June 16, 2009

8115-2200/9030-2800-59070-20

Ryan Wong ConocoPhillips Canada 2100 Bow Valley Square IV, 250 – 6th Avenue SW CALGARY AB, T2P 3H7

Dear Mr. Wong:

RE: COMMINGLED PRODUCTION – AMENDMENT #1 BRC HTR SUNDOWN c-81-G/093-P-07; WA# 16147

The OGC has reviewed your Commingled Production Amendment, dated May 22, 2009, requesting approval to amend the gas, condensate, and water production from the Cadotte and Cadomin formations in the subject well.

The initial Application for Commingled Production, dated April 27, 2006 and approved by The Commission July 5, 2006, allocated all gas, condensate, and water production on the basis of Cadotte 50% and Cadomin 50%. The initial allocations are subject to revision based upon recent production data from both formations. The revised commingling production allocation factors will be effective as July 1, 2009.

We wish to advise you that your application to amend a commingled production approval is hereby granted under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Cadotte (1882.0 1886.5 mKB) and Cadomin (2480.0 2504.0 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 90 % and Cadomin 10%. 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. Supervisor, Reservoir Engineering