

OIL AND GAS COMMISSION

April 7, 2008

8135-2900/4900-59070-20

Jamshed Khory Reservoir Engineer, Bissette EnCana Corporation 150 – 9th Avenue SW PO Box 2850 Calgary AB, T2P 2S5

Dear Mr. Khory:

RE: COMMINGLED PRODUCTION APPROVAL ECAOG WESTROCK KNOP c-82-C/93-P-9; WA# 6293

Commission staff have reviewed your application dated March 24, 2008 requesting permission to commingle production from the Nikanassin and Doig formations encountered in the subject well.

The Commission designates the zones under application as the single well Swan Lake – Dunlevy "A" and Doig "A" pools. The subject well is dually completed with a sliding sleeve but only one zone has been produced at a time. The Dunlevy, placed on production in April 2006, was shut-in behind the sliding sleeve in January 2007 due to declining gas rates. The Dunlevy has produced $3.7 \, 10^6 \, m^3$ and is capable of producing at $10.7 \, 10^3 \, m^3/d$. In January 2007 the Doig was placed on production and has produced $1.8 \, 10^6 \, m^3$, currently capable of producing $7.6 \, 10^3 \, m^3/d$. In February 2008 the Doig was shut-in and Dunlevy was placed back on production. The performance in both the Dunlevy and Doig zones is hindered by liquid loading. Commingled production through the tubing is expected to lift liquids thereby maximizing production and reserve recovery from both zones. The Dunlevy is sweet whereas the Doig is slightly sour. Both pools are at fairly similar current reservoir pressures however, the wellbore has been configured with a packer and sliding sleeve to allow segregation during extended shut-in periods.

We wish to advise you that your application to commingle production is hereby approved, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Dunlevy (1952.0–1959.0 mKB) and Doig (2615.0–2619.0 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, BC S-2 and BC-08 forms on the basis of Dunlevy 70% and Doig 30%. 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.

Please ensure that the recent reservoir pressure tests referenced in your application are submitted to the Commission. Should you have any questions, please contact the undersigned at (250) 952-0310.

Sincerely,

Ron Stetik, ASc I Sr Reservoir Engineering Technologist

RESOURCE CONSERVATION PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301 Location: 6th Flr 1810 Blanshard St, Victoria BC