November 24, 2008 20

2150-6227/8119-6225-59070-

Chris Luscombe, P.Eng.
Development Engineer – SW Operations
Talisman Energy Inc.
2000, 888 – 3<sup>rd</sup> Street S.W.
CALGARY AB T2P 5C5

Dear Mr. Luscombe:

## RE: COMMINGLED PRODUCTION APPROVAL TALISMAN ET AL BRAZION a-26-E/93-P-5; WA# 21688

Commission staff have reviewed your application dated October 21, 2008, requesting permission to commingle gas production from the Brazion field Belcourt-Taylor Flat "A" pool (upper) and the Sukunka field Belcourt "A" pool (lower) completed in the subject well.

Both zones are capable of high gas deliverability rates. The Belcourt "A" interval has been on production since May 2008, at a current rate of  $\sim 1,100~\text{e}^3\text{m}^3/\text{d}$  for a cumulative production of over 6.2 Bcf. The Belcourt-Taylor Flat "A" has had limited production from this well but has a predicted stabilized wellhead AOF of 2,446  $\text{e}^3\text{m}^3/\text{d}$ . The two pools have been modeled to reach a similar reservoir pressure in December 2008.

Both are 2-well pools (all wells operated by Talisman), the other locations provide opportunities to monitor individual pool pressures. Gas analyses are very similar. Current material balance provides a fair confidence of original gas-in-place. Wellbore diameter, with heater string, does not allow dual production tubing. Commingling will allow simultaneous production from both pools at this location without the need to drill a twin well, and will keep facilities operating at an efficient level with the opportunity to maximize gas recovery from these zones.

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 Belcourt-Taylor Flat (4360.5–4576.0 mKB) and Belcourt (4775.0–4831.0 mKB) zones may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Provincial Revenue BC S-1, BC S-2 and BC S-8 forms on the basis of Belcourt-Taylor Flat 60% and Belcourt 40%.
- 3. A production logging program must be completed by the end of calendar year 2011 to verify production is performing as modeled, and adjust reporting allocation if necessary.
- 4. 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) 952-0310.

Sincerely,

Ron Stefik, AScT

Sr Reservoir Engineering Technologist