

OIL & GAS COMMISSION

March 29, 1999

File: 8260-4100-59070-20

OGC 990239

Mr. Rahim Daredia Anderson Exploration Ltd. 1600, 324-8th Avenue S.W. Calgary, AB T2P 2Z5

Dear Mr. Daredia:

RE: APPLICATION FOR COMMINGLED PRODUCTION ARL RIGEL WARGEN b-99-J/94-H-3; WA# 10099

The Commission has reviewed your application dated March 11, 1999, requesting permission to commingle gas production from the Bluesky and Baldonnel pools encountered in the subject well.

The Commission has designated the gas pools in this well to be Bluesky "A" and Baldonnel "D" of the Wargen field. Reservoir pressure and fluid composition are similar for the two pools. Commingling approval is granted as both pools are in pressure communication behind pipe. The pressure communication is most likely caused by the fracture stimulation.

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

- 1. Production from the Bluesky (1068 1071 mKB) and Baldonnel (1118 1139 mKB) formations may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Energy and Mines BC S-1 and BC S-2 forms on the basis of Bluesky 50% and Baldonnel 50%.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

Bou van Oort, P. Eng.

Director

Engineering and Geology Branch

Approval Letters to Industry COMMINGLED PRODUCTION

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Daily

Resource Revenue

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