

OIL AND GAS COMMISSION

June 24, 2005

4780-2200/2520-59070-20 OGC - 05196

Eveline Chartier, P.Eng.
Senior Exploitation Engineer, Deep Basin
Devon Canada Corporation
2000, 400 – 3rd Avenue S.W.
CALGARY, AB T2P 4H2

Dear Ms. Chartier:

RE: APPLICATION FOR COMMINGLED PRODUCTION; INTERIM APPROVAL DEVON HIDING c-97-H/93-I-16; WA# 12040

The OGC has reviewed the application dated June 15, 2005, for interim approval to commingle gas production from Falher D and Cadotte formations in the subject well. The Commission maps the zones of interest as the Hiding Creek – Falher D "A" and the Cadotte "C".

The subject well was placed on production from the Falher D "A" pool in March 2000, and is now producing at low gas rates. The proposed completion of the Cadotte zone will include a segregated flow test and reservoir measurement measurement. Both zones contain sweet gas, any potential cross-flow should be temporary and not affect ultimate well gas recovery. The OGC has previously approved commingled production of the Falher D "A" and Cadotte "C" in two other wells, a-95-H and d-100-H/93-I-16. Commingled production should improve well liquid lift capability, thereby extending the producing life and reserves recovery.

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

- 1. Production from the Falher D and Cadotte formations may be commingled.
- 2. A production test must be completed to establish the AOF and initial reservoir pressure for the Cadotte formation, and reports filed as per the requirements of Sections 84 and 95 of the *Regulation*.
- 3. A formal application for commingled production must be submitted, with supporting test data, completion information, gas analysis and proposed allocation factors for production reporting both gas and liquids.

Should you have any questions, please contact the undersigned at (250) 952-0310.

Sincerely,	Approval Letters to Industry COMMINGLED PRODUCTION
Ron G. Stefik, AScT Sr. Reservoir Engineering Technician	Copy 8 Wellfile (originals) 59070-20 Daily Resource Revenue R. Stefik G. Farr R Slocomb
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