



December 9, 2002

8360-4580/4800-59070-20

OGC - 02229

David Penton
NEBC Growth Team Technologist
Samson Canada Ltd.
2400, 300 - 5th Avenue S.W.
CALGARY AB T2P 3C4

Dear Mr. Penton:

**RE: APPLICATION FOR COMMINGLED PRODUCTION
COURAGE FT ST JOHN 10-04-084-19 W6M; WA# 10642**

The Commission has reviewed your application dated November 18, 2002 requesting permission to commingle gas production from the Charlie Lake and Halfway zones encountered in the subject well.

The Commission has designated the gas pools under application to be the Wilder field North Pine "A" and Halfway "A" pools. Permission was granted by the OGC on October 23, 2002 to conduct flow tests to establish production reporting allocation factors. Subsequent segregated testing attempts have been unsuccessful.

The North Pine is a single well pool of likely limited size and less sour than the Halfway, therefore any cross-flow should not harm Halfway "A" pool production. Commingled completion is expected to increase recoverable gas reserves. 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 North Pine (1590.0-1596.0 mKB) and Halfway (1759.5-1775.5 mKB) zones may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Provincial Revenue BC S-1 and BC S-2 forms on the following percentage basis:

	<u>North Pine</u>	<u>Halfway</u>
Gas	10	90
Condensate	100	0
Water	0	100

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.

Sincerely,

Peter Attariwala, P.Eng.
Supervisor
Reservoir Engineering

**Approval Letters to Industry
COMMINGLED PRODUCTION**

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<input type="checkbox"/>	Wellfile (originals)
<input type="checkbox"/>	59070-20
<input type="checkbox"/>	Daily
<input type="checkbox"/>	Resource Revenue
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	P.S. Attariwala
<input type="checkbox"/>	D. Krezanoski

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