



May 27, 2008

7750-4580/4800-59070-20

Margaret Fraser, CET
NEBC Exploitation
Devon Canada Corporation
2000, 400 – 3rd Avenue SW
Calgary AB T2P 4H2

Dear Ms. Fraser:

**RE: APPROVAL FOR COMMINGLED PRODUCTION
DEVON SEPTIMUS 9-28-81-18 W6M; WA# 14390**

Commission staff have reviewed your application dated May 9, 2008 for approval to commingle gas production from the Septimus field North Pine “C” and Halfway “B” pools encountered in the subject well.

The North Pine “C” is mapped as a two well pool, however only the subject well has produced, with cumulative sweet gas production of $16.1 \text{ e}^3\text{m}^3$ and currently capable of a gas rate of $3.0 \text{ e}^3\text{m}^3/\text{d}$. The Halfway “B” is a single well pool, cumulative production of $24.1 \text{ e}^3\text{m}^3$ and a current gas rate of $7.5 \text{ e}^3\text{m}^3/\text{d}$, however with an H₂S content of 3.3%.

The proposed commingled completion will incorporate a down-hole check valve, allowing sweet gas to flow from the North Pine into the tubing with the Halfway, but preventing sour Halfway flow into the North Pine. Commingled completion should alleviate the current liquid loading of the North Pine thereby increasing production and reserves recovery.

Your application to commingle production from these zones is hereby granted approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the North Pine (1600.0-1613.5 mKB) and Halfway (1742.0-1747.0 mKB) zones may be commingled.
2. A down-hole check valve must be installed to prevent cross-flow from the Halfway into the North Pine formation.
3. 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 North Pine 25% and Halfway 75%. The allocation factors may be amended to reflect results of any future tests.
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

RESOURCE CONSERVATION

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