

May 1, 1998

Copies for Approval Letters (7)
Commingled Production

G. Miltenberger
P. S. Attariwala
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Wellfile (originals)

59070-20

Daily

Reference: 980405 File: 2400/7600-2600-59070-20

Mr. Neil Roszell, P. Eng. Senior Engineer Remington Energy 600 550 6<sup>th</sup> Ave SW Calgary AB T2P 0S2

Dear Mr. Roszell:

## RE: APPROVAL FOR COMMINGLED PRODUCTION

WA 01118; Bluesky "C" and Dunlevy "F" Remington et al Rigel 6-21-88-18 W6M; WA 09998; Bluesky "D" and Dunlevy "F" Remington et al Rigel a-29-B/94-A-15; WA 10032; Bluesky "C" and Dunlevy "F" Remington Buick b-28-J/94-A-10: WA 10033; Bluesky "C" and Dunlevy "F" Remington Buick d-37-J/94-A-10; WA 10558; Bluesky "C" and Dunlevy "F" Remington et al Rigel c-32-K/94-A-10; Remington et al Rigel 10-31-88-17 W6M; WA 10559; Bluesky "C" and Dunlevy "F" WA 10565; Bluesky "C" and Dunlevy "F" Remington et al Buick d-33-J/94-A-10; Remington et al Buick b-40-J/94-A-10; WA 10566; Bluesky "C" and Dunlevy "F" WA 10617; Bluesky "C" and Dunlevy "F" Remington et al Rigel c-22-K/94-A-10;

The Ministry has reviewed your application dated April 7, 1998, requesting permission to commingle gas production from the Bluesky and Dunlevy gas pools encountered in the subject wells.

Gas composition of the two formations are essentially identical. Associated liquids with gas production causes the wells to load up, which can be prevented by commingled production. Accordingly, commingling will eliminate the need to flare the wells at surface to unload liquids. Your proposal to maintain flowing bottom hole pressure below the reservoir pressure of either zone will prevent crossflow between the two zones.

As Remington is the licensee of all wells in the immediate area completed in and producing from the Bluesky and Dunlevy gas pools, as currently mapped, equity issues are not seen as being a concern.

We wish to advise you that your application to commingle production is hereby approved, under the authority of Section 44 of the *Drilling and Production Regulation*, subject to the following conditions:

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- 1. Production from the Bluesky and the Dunlevy pools, as listed above, may be commingled in the subject wells.
- 2. Gas, condensate and water production should be allocated on the BC S-1 and BC S-2 forms for the first year, as proposed in your application.
- 3. Annual tests will be conducted to determine allocation factors in subsequent years, as proposed in your application.
- 4. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

Sincerely,

B. van Oort, P. Eng.

Director

**Engineering and Operations Branch** 

PSA/mef