

## Sample Notice Letters for Commingling Using the DE or SD Process

### Sample Template of Company-to-Company Notification Letter

*To be used for notification of offsetting well licensees when commingling production using the DE or SD process*

[Date]

[Name]

[Address]

[Address]

[Address]

Attention:

Notification of commingling of gas/oil production

[Within a development entity OR using the self-declared process]

[UWI location]

[list intervals commingled] mKB

[Company Name] has used Energy Resources Conservation Board's [development entity OR self-declared process] to commence unsegregated production at the subject well in the intervals noted above. A requirement of the process necessitates that licensees of active wells in the section of interest and offsetting drilling spacing units be notified of the commencement or change to the production operations of any well using the [development entity OR self-declared process].

If you have any concerns or questions respecting the potential of unsegregated production to affect your interest, do not hesitate to contact the undersigned at [telephone number].

Yours truly,

[Contact Name]

[Company]

## Sample Template of Notification Letter to Be Used for Notifying Freehold Mineral Lessor *Prior* to Unsegregated Completion

*To be used if the lessors are not common for the different strata within the wellbore planned for commingled production when using the DE or SD process*

[Date]

[Name]

[Address]

[Address]

[Address]

Attention:

Notification of commingling of gas/oil production

[Within a development entity OR using the self-declared process]

[UWI location]

[list intervals commingled] mKB

[Company Name] intends to use Energy Resources Conservation Board's [development entity OR self-declared process] to commence unsegregated production at the subject well in the intervals noted above. A requirement of the process necessitates that the Freehold mineral lessor(s) be notified if the lessors are not common for the different strata within the wellbore where commingling is proposed. The proposed commingling may affect the proportion of royalty assigned to your mineral holdings.

If you have any concerns or questions respecting the potential of unsegregated production to affect your interest, do not hesitate to contact the undersigned at [telephone number] within 15 working days from the date of this letter. If you do not respond within the time period noted, commingled production in the subject well will commence without further notice to you.

Yours truly,

[Contact Name]

[Company]

## Sample Template of Notification Letter to Be Used for Notifying Freehold Mineral Lessor *After Unsegregated Completion Has Occurred*

*To be used to notify Freehold mineral lessors in the DSU of the commingled well and in offsetting DSUs when using the DE or SD process*

[Date]

[Name]

[Address]

[Address]

[Address]

Attention:

Notification of commingling of gas/oil production

[Within a development entity OR using the self-declared process]

[UWI location]

[list intervals commingled] mKB

[Company Name] has used the Energy Resources Conservation Board's [development entity OR self-declared process] to commence unsegregated production at the subject well in the intervals noted above. A requirement of the process necessitates that the Freehold mineral lessor(s) in the drilling spacing unit (DSU) of the commingled well and offsetting DSUs be notified when this process is used.

If you have any concerns or questions respecting the potential of unsegregated production to affect your interest, do not hesitate to contact the undersigned at [telephone number].

Yours truly,

[Contact Name]

[Company]