



November 17, 2008

2920-4100/4540-59070-20

Brent Wychopen, P.Eng.
Canadian Natural Resources Limited
Suite 2500, 855 – 2nd Street SW
Calgary AB T2P 4J8

Dear Mr. Wychopen:

RE: COMMINGLED PRODUCTION APPROVAL
CNRL ET AL CACHE C-A016-L/094-A-11; WA# 4036

The Commission has reviewed your application dated October 20, 2008 requesting permission to commingle production from the Baldonnel and Coplin zones encountered in the subject well.

The Commission has designated these pools as the Cache Creek – Baldonnel “A” and Coplin “A” gas pools. Both pools contain numerous wells.

The subject well commenced production from the Coplin in March, 1978 and has produced $49.4 \times 10^6 \text{m}^3$ to date. In May, 2000 the Baldonnel zone commenced segregated production and has produced $15.2 \times 10^6 \text{m}^3$ to date. The Baldonnel and Coplin zones are currently producing at marginal rates below $3 \times 10^3 \text{m}^3/\text{d}$ and are hindered by liquid loading.

Commingled production is expected to aid liquid lifting and thereby maximize production and reserve recovery. Reservoir pressures and gas compositions are similar for the two pools.

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 Baldonnel (1298.4 – 1301.5 mKB) and Coplin (1442.5 – 1443.5 mKB) zones may be commingled.
2. 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 Baldonnel 50% and Coplin 50%.
3. 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) 952-0366 or Kelly Okuszko at (250) 952-0325.

Sincerely,

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering

RESOURCE CONSERVATION

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