OIL AND GAS COMMISSION

February 26, 2007 2960-4800/4805-59070-20

Leonard Fabes, P. Eng.
Exploitation Engineer
Canadian Natural Resources Limited
Suite 2500, 855 – 2 Street SW
CALGARY AB T2P 4J8

Dear Mr. Fabes:

RE: APPLICATION FOR COMMINGLED PRODUCTION
CNRL CECIL 5-21-84-17 W6M; WA# 15763

The Commission has reviewed your application dated February 9, 2007 requesting permission to commingle production from the Halfway and Lower Halfway (Doig) zones encountered in the subject well.

The Commission has designated these pools as the Cecil Lake – Halfway "C" and Lower Halfway "A" gas pools.

The Halfway is a two well pool with only the subject well capable of gas production. The other well, CNRL et al A10-29-84-17 (WA 8771), has been suspended since 2001. The Halfway in the subject well has been on production through the annulus since March 2003and has produced 19.8 10^6 m^3 and is currently producing at 0.4 10^3 m^3/d. The Lower Halfway is a single well pool that has been on production through the tubing since March 2003. The Lower Halfway has produced 5.4 10^6 m^3 and is currently producing at 4.8 10^3 m^3/d. The Halfway zone has been experiencing difficulty lifting produced liquids. Both zones are sour. Production data indicates limited recoverable reserves from each zone. Commingled production is expected to lift the liquids thereby extending the economic life of this well.

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 Halfway (1422.0–1429.0 mKB) and Lower Halfway (1442.0–1444.0 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 and BC S-2 forms on the basis of Halfway 50% and Lower Halfway 50%. 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.

Should you have any questions, please contact the undersigned at (250) 952-0366.

Sincerely,

Richard Slocomb, P.Eng.
Supervising Reservoir Engineer
Resource Conservation Branch