

March 23, 2006

6490-2700/6200-59070-20 OGC - 06117

> R Slocomb D. Krezanoski

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

Dear Mr. Fabes:

Acting Director

Resource Conservation Branch

RE: APPLICATION FOR COMMINGLED PRODUCTION CNRL OSBORN c-54-J/94-A-9; WA# 14832

The Commission has reviewed your application dated March 17, 2006 requesting permission to commingle production from the Gething and Belloy zones encountered in the subject well.

The Commission has designated these pools as the Osborn – Gething "A" and Belloy "B" gas pools. The Gething has been on production through the annulus since February 2004 and has produced 36.2 10^6 m³ and currently producing at 15.2 10^3 m³/d. The Belloy is mapped as a single well pool which is severely depleted. The Belloy has been on production through the tubing since March 2002 and has produced 37.4 10^6 m³ and is currently capable of producing at 15.6 10^3 m³/d. The Gething zone has been experiencing difficulty lifting produced water. Commingled production through the production tubing is expected to lift the water thereby extending the economic life of this well. CNRL is the operator of all offsetting wells in both 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 Gething (1062.0–1067.0 mKB) and Belloy (1513.0–1514.8 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 Gething 25% and Belloy 75%. 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,

Sincerely,

Richard Slocomb, P.Eng.

Approval Letters to Industry COMMINGLED PRODUCTION Copy 8

Wellfile (originals) 59070-20

Daily

Resource Revenue

R. Stefik

G. Farr

RESOURCE CONSERVATION BRANCH