

March 18, 2009

6500-2600/4500-59070-20

Festus Fariyibi  
Canadian Natural Resources Limited  
Suite 2500, 855 – 2nd Street SW  
Calgary AB T2P 4J8

Dear Mr. Fariyibi:

**RE: COMMINGLED PRODUCTION APPROVAL  
CNRL OSPREY B- 086-K/094-A-15; WA# 23256**

The Commission has reviewed your application dated February 1, 2008 and supplemental data (received March 17, 2009) requesting permission to commingle production from the Bluesky and Charlie Lake zones encountered in the subject well.

The Commission has designated these pools as the Osprey – Bluesky “C” and Charlie Lake “A” gas pools. The Bluesky pool contains 3 other wells and the Charlie Lake pool contains the single subject well.

The well was completed in the Bluesky and Charlie Lake in February 2008 and flow tested at gas rates of  $18.0 \times 10^3 \text{ m}^3/\text{d}$  and  $74.2 \times 10^3 \text{ m}^3/\text{d}$ , respectively. The well commenced segregated production in March 2008 with the Bluesky producing up the annulus and the Charlie Lake through the tubing. However, in July 2008, the Charlie Lake was shut in due to liquid loading and the well was converted to produce Bluesky gas up the tubing. A recent static gradient test indicates the Charlie Lake pool is depleted and of limited size, despite the high initial deliverability test. The Bluesky and Charlie Lake last produced at gas rates of  $7.7 \times 10^3 \text{ m}^3/\text{d}$  and  $9.6 \times 10^3 \text{ m}^3/\text{d}$ , respectively.

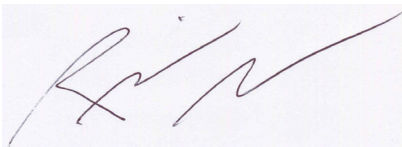
Commingled production through a single production string is expected to maximize production and reserve recovery. Reservoir pressures and gas compositions are similar for the two pools.

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 Bluesky (977.0 – 979.0 mKB) and Charlie Lake (1059.0 – 1064.0 mKB) zones may be commingled.
2. Gas, condensate and water production should be allocated on the Ministry of Finance BC S-1, BC S-2 and BC-08 forms on the basis of Bluesky 55% and Charlie Lake 45%.
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