



March 13, 2007

6500-2600/4800-59070-20

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 OSPREY a-45-J/94-A-15; WA# 3729**

The Commission has reviewed your application dated February 23, 2007 requesting permission to commingle production from the Bluesky and Halfway zones encountered in the subject well.

The Commission designates the gas pools under application to be the Osprey – Bluesky “A” and Halfway “A” gas-cap. The Bluesky is part of a multi-well pool that has been on production through the annulus since March 1993 and has produced $63.8 \times 10^6 \text{ m}^3$ and currently producing at $9 \times 10^3 \text{ m}^3/\text{d}$. The Halfway production was restricted due to a Good Engineering Practice approval effective October 1988, however, full gas-cap blow down was approved effective November 1, 1995. The Halfway has produced $43.9 \times 10^6 \text{ m}^3$ through the tubing since August 1986 and has been suspended since March 2003 due to liquid loading. Commingled production through the tubing is expected to lift liquids more effectively thereby maximizing reserves recovery from the Halfway. CNRL is the operator of all 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 Bluesky (1010.0–1012.0 mKB) and Halfway (1178.3–1181.0 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 Bluesky 90% and Halfway 10%.
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

RESOURCE CONSERVATION BRANCH

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