



February 26, 2007

6800-2600/2700-59070-20

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

Dear Mr. Fabes:

**RE: COMMINGLED PRODUCTION APPROVAL
CNRL PEEJAY d-46-I/94-A-15; WA# 1905**

Commission staff have reviewed your application dated January 29, 2007 requesting permission to commingle gas production from the Bluesky and Gething formations in the subject well.

The Commission designates the gas pools under application to be the Peejay field – Bluesky “B” and Gething “B”.

The Bluesky is mapped as a single well pool, the Gething “B” is produced by the applicant in multiple wells, most at low rates. Each zone has produced approximately 6 e⁶m³ of gas from this well, however production from the Bluesky has been intermittent due to liquid loading. Both zones contain sweet gas.

Commingled production is expected to help alleviate liquid loading, increasing the productive life of the well and thereby maximizing recoverable reserves.

We wish to advise that your application to commingle production from these zones is hereby granted approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Bluesky (969.6 – 971.7 mKB) and Gething (993.6 – 996.6 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 50% and Gething 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.

Sincerely,

Ron Stefik, AScT
Sr Reservoir Engineering Technologist

RESOURCE CONSERVATION BRANCH

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