



June 4, 2007

6800-2700/0700-4798-59070-20

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 PEEJAY d-40-L/94-A-1; WA# 6423**

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The Commission has reviewed your application dated March 16, 2007 requesting permission to commingle production from the Gething and Halfway zones encountered in the subject well.

The Commission has designated these pools as the Peejay – Gething “B” and Beaverdam – Upper Halfway “A” gas pools. The Gething in the subject well is part of a large multi-well pool that has been on production since October 2004 and has produced  $6.4 \times 10^6 \text{ m}^3$  and is currently producing at  $6.3 \times 10^3 \text{ m}^3/\text{d}$ . The Halfway is mapped as a five well pool, however only two wells have produced. The Halfway in the subject well was placed on production in January 1996 and has produced  $43.8 \times 10^6 \text{ m}^3$  and is currently shut-in due to liquid loading problems. Commingled production through the production tubing is expected to lift liquids more effectively 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 Gething (997.0–1001.0 mKB) and Halfway (1131.0–1133.5 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 40% and Halfway 60%. 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

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**RESOURCE CONSERVATION BRANCH**

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