



April 25, 2007

7250-2600/2700-59070-20

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 PICKELL a-14-H/94-H-3; WA# 20525**

The Commission has reviewed your application dated February 20, 2007 requesting permission to commingle production from the Bluesky and Gething zones encountered in the subject well.

The Commission has designated these pools as the Pickell – Bluesky “H” and Gething “H” gas pools. Each of the gas pools have been delineated by three wells. Both zones in the subject well were fracture stimulated after perforation. The Bluesky started producing in April 2006 at  $2.0 \times 10^3 \text{ m}^3/\text{d}$ , but has produced intermittently. The Gething started producing in April 2006 at  $8.1 \times 10^3 \text{ m}^3/\text{d}$ , but ceased production after two months. Both zones are currently shut-in due to liquid loading problems. Gas analyses are similar for the two pools. As both zones are marginal producers, commingled production through single coiled tubing is expected to increase gas flow velocity thereby lifting liquids. This should result in higher production and reserves recovery from 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 (1057.0–1058.5 mKB) and Gething (1081.4–1084.5 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 Bluesky 35% and Gething 65%.
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

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**RESOURCE CONSERVATION BRANCH**

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