

July 22, 2009

8170-4540/4800-59070-20

James Nichols, P.Eng.
Canadian Natural Resources Limited
2500, 855 – 2nd Street SW
Calgary AB T2P 4J8

Dear Mr. Nichols:

RE: COMMINGLED PRODUCTION APPROVAL – AMENDMENT #1
CNRL TOWNSEND c-011-J/094-B-09; WA# 22617

The OGC has reviewed your request to modify production allocation for the subject well, dated May 14, 2009.

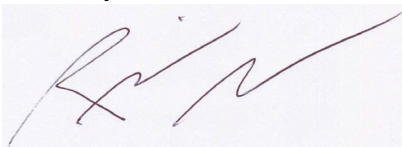
The initial Application for Commingled Production, dated March 12, 2008 and approved by the Commission June 27, 2008, allocated all gas, condensate, and water production on the basis of the H₂S composition of the commingled gas stream, with monthly sampling until consistent results were obtained. CNRL has provided the Commission with a commingled gas analysis from a sample taken July 17, 2009 with an H₂S mole fraction of 3.78%. Due to the significant variation in H₂S values of the commingled zones (Coplín – 6% H₂S; Halfway – 1.6 %), production allocation factors can be calculated with reasonable certainty. The revised commingling production allocation factors will be effective as of April 1st, 2009, the date the well was commingled.

We wish to advise you that your application to amend a commingled production approval is hereby granted under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

1. Production from the Coplin (1576.0-1578.0 mKB) and Halfway (1802.0 – 1803.0 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 Coplin 50% and Halfway 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.

Should you have any questions, please contact the undersigned at (250) 419-4421 or Kelly Okuszko at (250) 419-4433.

Sincerely,



Richard Slocomb, P. Eng.
Supervisor, Reservoir Engineering