



December 7, 2001

2020-4800/4900-59240-07
OGC - 01238

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

CNRL Proj (02)

Dear Mr. Fabes:

**RE: APPROVAL FOR CONCURRENT PRODUCTION, AMENDMENT #2
BOUNDARY LAKE NORTH - HALFWAY "B" GAS & DOIG "A" OIL POOLS**

Commission staff have reviewed your application dated November 2, 2001, requesting an amendment to the Concurrent Production scheme approved for the subject pools.

It is recognized that the Halfway "B" gas and Doig "A" oil pools are in communication behind the wellbore casing in several wells. A concurrent production with commingling was originally approved on February 20, 1998 (Approval 98-07-001). Therefore, an amendment to the approval is considered appropriate. Accordingly, the Approval 98-07-001 (Amendment#2) is hereby granted under Section 97 of the Petroleum and Natural Gas Act. The gas allowable has been increased, as requested, to mitigate fluid cross flow.

Commingling of the Halfway "B" gas and Doig "A" oil pool is approved for production from the wells 10-9-87-14 (WA# 1451), 14-9-87-14 (WA# 10692) and 13-10-87-14 (WA# 14050) pursuant to Section 41 of the *Drilling and Production Regulation*. Oil and gas production must be reported on the BC S-1 and BC S-2 forms as per condition #5 of the subject approval. All water production should be reported to the Doig.

It should be noted that there are no equity concerns at this time; however, the project allowables may be revised if another operator completes a well outside the project area in the subject pools.

Sincerely,

Craig Gibson, P. Eng.
Manager
Reservoir Engineering and Geology

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- D. Krezanoski

ENGINEERING AND GE
PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N
Location: 6th Flr 1810 Blar.

APPROVAL 98-07-001 (Amendment #2)

**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
OIL AND GAS COMMISSION**

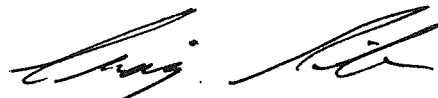
IN THE MATTER of a Concurrent Production scheme of Canadian Natural Resources Limited (CNRL) for producing the Boundary Lake North Halfway "B" gas and Doig "A" oil pools with a project gas and oil allowable.

NOW, THEREFORE, the Commission, pursuant to Section 97 of the Petroleum and Natural Gas Act, hereby approves an amendment to the Concurrent Production project of CNRL for oil and gas production with project allowables, as such scheme is described in

an Application from CNRL to the Commission dated November 2, 2001 and related submission.

This project is approved, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of sections 9 and 10 of Township 87 Range 14 W6M.
2. The project oil allowable is 75.0 m³/d.
3. Gas production from the project will be limited to 100.0 10³ m³ /d.
4. All associated gas production must be conserved.
5. For commingled wells, all oil production with it's solution gas based on a GOR of 177 m³/ m³ must be allocated to the Doig "A" whereas the remaining gas production should be allocated to the Halfway "B" on the BC S-1 and BC S-2 forms.
6. This approval may be modified or rescinded at a later date if deemed appropriate.



Craig Gibson
Manager
Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this 7th day of December, 2001.