

September 3, 2004

2400-2900-59240-07 OGC – 04257

Robert Steinborn
Exploitation Engineer
Canadian Natural Resources Ltd.
2500, 855 – 2<sup>nd</sup> Street S.W.
Calgary AB T2P 4J8

CNRL Project (02)

Dear Mr. Steinborn:

RE: CONCURRENT PRODUCTION APPROVAL BUICK CREEK – DUNLEVY "B" POOL

Attached is a Concurrent Production scheme approval for a portion of the subject pool as requested in your application dated August 4, 2004.

The Buick Creek Dunlevy "B" pool has been producing since 1962 as a non-associated gas pool. The well CNRES et al HZ b-A66-A/094-A-14 (WA 10521) commenced production as an oil well in February 1998 from the subject pool, requiring a change in pool interpretation to recognize a limited oil leg with large gascap. In order to maximize oil recovery from this significantly depleted pool, while allowing continued gas production, a Concurrent Production approval is considered appropriate. Accordingly, Approval 04-07-006 is hereby granted under Section 97 of the Petroleum and Natural Gas Act. This approval will allow flexibility in production management to maximize pool oil and gas recovery.

Please note that the project allowables may be amended if another operator successfully completes an oil well outside the project area in the subject pool.

Sincerely,

Craig Gibson, P. Eng.

Director

Resource Conservation Branch

Attachment

Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.						
Cop	oy <b>91</b>	-				
	Wellfile (originals)	-				
	59240	-				
	Daily					
	Resource Revenue					
	S. Chicorelli					
	R. Stefik					
	G. Farr					
	A A MARINE STATE OF THE STATE O					
	R. Slocomb					
	D. Krezanoski					
1	Leesa Turner					

RESOURCE CONSERVATION BRANCH

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## APPROVAL 04-07-006

## 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 a portion of the Buick Creek Dunlevy "B" pool without project allowables.

NOW, THEREFORE, the Commission, pursuant to section 97 of the <u>Petroleum and Natural Gas Act</u>, hereby approves the Concurrent Production scheme of CNRL for oil and gas production, as such scheme is described in

an Application from CNRL to the Commission dated August 4, 2004 and related submission.

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

- 1. The area of the scheme shall consist of unit 66 of Block A/94-A-14.
- 2. The project daily oil allowable is waived.
- 3. The project gas allowable is 15.0 10<sup>3</sup>m<sup>3</sup>/d.
- 4. All produced gas must be conserved.
- 5. The requirements of section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved area.
- 6. This approval may be modified or rescinded at a later date if deemed appropriate.

Craig Gibson

Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 3 day of September, 2004.

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