



October 13, 2005

5500-2600-59240-07  
OGC – 05277

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

Dear Mr. Fabes:

**RE: APPLICATION FOR CONCURRENT PRODUCTION APPROVAL  
LADYFERN - BLUESKY "F" POOL**

The Commission has reviewed your application dated September 2, 2005 requesting a Concurrent Production approval for the subject pool.

The single well Ladyfern Bluesky "F" oil pool began production in April 2005 from the well CNRL Ladyfern d-73-G/94-H-1 (WA# 18051). The approved daily oil allowable (DOA) is 14.4 m<sup>3</sup>. Daily oil rates have remained strong, however production is restrained by the GOR adjusted monthly allowable limit.

Estimates of pool OOIP range from 440 mbbbls (conservative material balance, reservoir pressures still building) to 1.5 mmbbls (volumetric and optimistic material balance, extrapolated reservoir pressures). Reservoir pressure tests conducted in June and August 2005 have presented inconclusive results, continually increasing pressures open several possible reservoir interpretations.

The Commission is concerned that, based on the potential pool size, relaxation of the daily oil allowable at this time may compromise ultimate oil recovery. Further pool delineation would potentially improve primary recovery and may provide opportunity for an enhanced recovery project. Therefore, your request for Concurrent Production approval is denied at this time. A future application may be considered following additional performance data and potential delineation well results.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

Richard Slocomb, P. Eng.  
A/Director  
Resource Conservation Branch

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

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**RESOURCE CONSERVATION BRANCH**

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