

December 3, 2002

6800-4800-59240-07 OGC - 02223

CNRL Project (13)

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

Dear Mr. Kennedy:

RE: CONCURRENT PRODUCTION APPROVAL PEEJAY HALFWAY "N" POOL

The Commission has reviewed your application dated November 19, 2002 for Concurrent Production in the subject pool.

Based on the performance of this single well pool, it is concluded that a Concurrent Production approval is justified in this case. Accordingly, Approval 02-07-007 is hereby granted under section 97 of the Petroleum and Natural Gas Act.

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.

The GEP approval granted on April 21, 1989 for the subject pool is hereby rescinded. ()

Sincerely,

Craig Gibson, P. Eng.

Manager

Reservoir Engineering and Geology

Attachment

PRESSURE MAINTENANCE,
WATERFLOOD, ETC.
Copy 9
Wellfile (originals)
59240
Daily
Resource Revenue
S. Chicorelli
R. Stefik
G. Farr
P. Attariwala
D. Krezanoski

Approval Letters to Industry GEP, SWD, CONCURRENT PROD.

APPROVAL 02-07-007

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 Peejay Halfway "N" pool with a project oil and gas allowable.

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 with project allowables, as such scheme is described in

an Application from CNRL to the Commission dated November 19, 2002 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 the units 51, 61 of Block I/94-A-15 and units 60, 70 of Block L/94-A-16.
- 2. The project daily oil allowable is waived.
- 3. Gas production will be limited to 28.0 10³ m³/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 This approval may be modified or rescinded at a later date if deemed appropriate.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

Manager

Reservoir Engineering and Geology

DATED AT the City of Victoria, in the Province of British Columbia, this

day of December 2002.