



April 8, 1998

Ms. Cassandra Lai  
Exploitation Engineer  
Canadian Natural Resources Limited  
2000 425 1<sup>st</sup> St SW  
Calgary AB T2P 3L8

Dear Ms. Lai:

**RE: APPROVAL FOR CONCURRENT PRODUCTION  
PEEJAY HALFWAY UNIT #3 GASCAP**

Attached is a concurrent production scheme approval for the subject pool, as requested in your application dated January 27 and amended March 30, 1998.

The ministry agrees that the Unit #3 oil pool to the south has reached an advanced stage of depletion and communication between the gascap and producing oil wells is poor. Equity issues have been addressed with letters of concurrence from the other Unit interest holder.

The Approval 98-07-006 is hereby granted under section 97 of the Petroleum and Natural Gas Act.

\* The Good Engineering Practice approval issued April 29, 1988, for a portion of this approval area, is hereby rescinded. P. v. j (00)

Yours sincerely,

Bou van Oort, P. Eng.  
Director  
Engineering and Operations Branch

RS/mef

Attachment

Copies for Approval Letter to Industry (11)

RE: GEP, Salt Water Disposals, etc.

- G. Miltenberger
- Data Management
- R. Stefik
- D. Richardson
- P. Attariwala
- G. Farr
- S. Chicorelli
- Resource Revenue
- 59240
- Wellfiles (originals)
- Daily

980355  
7000-4800-59240-07  
6800

C/NRL Gascap Project (11)

APPROVAL 98-07-006

THE PROVINCE OF BRITISH COLUMBIA  
PETROLEUM AND NATURAL GAS ACT  
MINISTRY OF ENERGY AND MINES  
ENERGY AND MINERALS DIVISION

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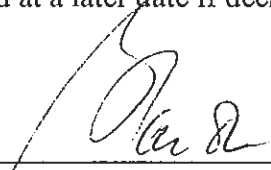
IN THE MATTER of a Concurrent Production scheme of Canadian Natural Resources Limited (CNRL) for producing the Peejay Halfway gascap with a project gas allowable.

NOW, THEREFORE, the Division Head, pursuant to section 97 of the Petroleum and Natural Gas Act, hereby approves the Concurrent Production scheme of CNRL for gas production with a project allowable, as such scheme is described in

*an Application from CNRL to the Division dated January 27, 1998, 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;  
NTS 94-A-15 Block H - units 94 - 99  
Block I - units 4 - 9, 16 - 20, 26 - 30, 40 and 50  
Block J - units 11, 21, 31, 41
2. The reserves based project gas allowable is 53.7 e<sup>3</sup>m<sup>3</sup>/d.
3. The requirements of section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the scheme area are not completed nearer than 250 m to the sides of the approved area.
4. This approval may be modified or rescinded at a later date if deemed appropriate.

  
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Bju van Oort, on behalf  
of the Division Head  
Energy and Minerals Division

DATED AT the City of Victoria, in the Province of British Columbia, this 8<sup>th</sup> day of April, 1998.