OGC OIL AND GAS CON	Approval Letters to Industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC.	2400-4805-59240-07
October 28, 1999	Copy Wellfile (originals) 59240	OGC990489
Mr. Dick VanAppelen Exploitation Engineer Canadian Natural Resources Limited 2000, 425 - 1st St. SW Calgary, AB T2P 3L8	Daily Resource Revenue R. Stefik G. Farr P. Attariwala C. Gibson D. Krezanoski S. Chicorelli	
Dear Mr. VanAppelen:	S. CINCOTON	
RE: APPLICATION FOR CONC GOOD ENGINEERING PRA		I

Attached is an amendment to the Concurrent Production Approval with Good Engineering Practice (GEP) for the subject pool, as requested in your application dated October 18, 1999.

BUICK CREEK LOWER HALFWAY "J" POOL

A horizontal development well at c-A28-I/94-A-11 (WA# 12161), completed in August 1999, extends the area of the subject pool outside of the existing project area.

The Approval 96-07-003 (Amendment #2) is hereby amended under section 97 of the <u>Petroleum and Natural Gas Act</u>. This approval is intended to allow operational flexibility in order to maximize oil recovery. There are no equity issues at this time, however the approval conditions may be modified if oil wells outside the project area are completed in the subject pool by another operator.

For the purposes of administration, this approval is effective retroactive to August 1, 1999.

Sincerely,

B. van Oort, P. Eng.

Director

Engineering and Geology Branch

Attachment

APPROVAL 96-07-003 (AMENDMENT #2)

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

IN THE MATTER of a Concurrent Production scheme with Good Engineering Practice (GEP) of Canadian Natural Resources Limited (CNRL) for producing the Buick Creek Lower Halfway "J" oil pool without spacing and target restrictions, and without a project oil allowable.

NOW, THEREFORE, the Commission, pursuant to section 97 of the <u>Petroleum and Natural Gas Act</u> R.S.B.C. 1996, c.361 hereby approves an amendment to the Concurrent Production project of CNRL for drilling horizontal wells without spacing and target restrictions and for concurrent production of oil and gas without an oil allowable, as such scheme is described in:

an Application from CNRL to the Commission dated January 2, 1997 and October 18, 1999, and related submission.

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

- 1. The area of the scheme shall consist of fractional units 17 and 18 and units 27, 28, 29, 38 and 39 of Block I /94-A-11.
- 2. The daily oil allowable is waived.
- 3. Gas production from the project will be limited to 161.8 10³ m³/d.
- 4. Any well exceeding a GOR of 1200 m³/m³ must be shut-in.
- 5. All gas production will be conserved.
- 6. 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.
- 7. This approval may be modified or rescinded at a later date if deemed appropriate.

B. van Oort

Director

Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 23 day of October, 1999.