



March 24, 1998

980333  
2400-4805-59240-07

Mr. Dick VanAppelen, P.Eng.  
Exploitation Engineer  
Canadian Natural Resources Limited  
2000 425 1<sup>st</sup> ST SW  
Calgary AB T2P 3L8

*CNRL Project (13)*

Dear Mr. VanAppelen:

**RE: APPLICATION FOR CONCURRENT PRODUCTION WITH  
GOOD ENGINEERING PRACTICE  
BUICK CREEK LOWER HALFWAY "N" POOL**

Attached is a Concurrent Production with Good Engineering Practice (GEP) scheme approval for the subject pool as requested in your application of March 12, 1998.

The Approval 96-07-004 is hereby granted under section 97 of the Petroleum and Natural Gas Act.

This approval is intended to allow operational flexibility in order to maximize oil recovery. This pool is currently defined by a single horizontal well, a-56-A/94-A-14, of which the entire productive wellbore interval is within the oil target area of unit 46-A. 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.

As this well has accumulated a large volume of overproduction of its approved individual well daily oil allowable, this project approval is made effective as of February 1997, the month gas conservation commenced.

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

*Craig Gibson*

Ministry of  
Employment  
and Investment

Energy and Minerals Division  
Engineering and Operations Branch

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1810 Blanshard Street  
Victoria

APPROVAL 98-07-004

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

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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 "N" oil pool without spacing and target restrictions and without a project oil allowable.

NOW, THEREFORE, the Division Head, pursuant to section 97 of the Petroleum and Natural Gas Act, hereby approves a 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 Division dated March 12, 1998  
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 Unit 46 of Block A/94-A-14.
2. The daily oil allowable is waived.
3. Gas production from the project will be limited to  $33.2 \times 10^3 \text{ m}^3/\text{d}$ .
4. Any well exceeding a GOR of  $1200 \text{ m}^3/\text{m}^3$  must be shut-in.
5. All gas production will be conserved.
6. The project effective date shall be retroactive to February 1, 1997.
7. The requirements of section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not nearer than 100 m to the sides of the approved area.
8. Royalty free oil production from the discovery well CNRES et al Hz Buick a-56-A/94-A-14 (WA 10173) is limited to a total volume of  $9,603.0 \text{ m}^3$  or the volume produced in the first 36 producing months, whichever is lesser.
9. This approval may be modified or rescinded at a later date if deemed appropriate.

  
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B. 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 26<sup>th</sup> day of March, 1998.