



**BRITISH
COLUMBIA**

March 11, 1998

Ms. Cassandra Lai
Exploitation Engineer
Canadian Natural Resources Limited
2000, 425 - 1st Street SW
Calgary, AB T2P 3L8

Copies of Approval Letter to Industry (11)

RE: GEP, Salt Water Disposals, etc.

<input type="checkbox"/>	G. Miltenberger
<input checked="" type="checkbox"/>	Data Management
<input checked="" type="checkbox"/>	R. Stefik
<input type="checkbox"/>	D. Richardson
<input type="checkbox"/>	P. Attariwala
<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	S. Chicorelli
<input type="checkbox"/>	Resource Revenue
<input type="checkbox"/>	59240
<input type="checkbox"/>	Daily

3426-4040-59240-07
980297

CNRL Project (02)

Dear Ms. Lai:

**RE: CONCURRENT PRODUCTION WITH
GOOD ENGINEERING PRACTICE; c-83-B/94-A-16
DOIG RAPIDS - NORDEG-BALDONNEL 'F' POOL**

This is with respect to your application dated February 12, 1998 requesting an increase of the base GOR for the well CNRES Rabbit c-83-B/94-A-16 (WA 9620).

We concur with you that the well c-83-B/94-A-16 is a single well pool and that the well is uneconomic at its current penalized rates. As all produced gas is being conserved, a concurrent production with good engineering practice (GEP) is considered appropriate in this case. The Ministry of Energy and Mines has designated this well to be located in the Nordegg-Baldonnel "F" pool of the Doig Rapids field.

The Approval #98-07-002 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. Please note that the project allowables may be amended if additional wells are successfully completed in the subject pool.

Yours sincerely,

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

Attachment

APPROVAL 98-07-002

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

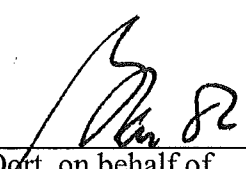
IN THE MATTER of a Concurrent Production scheme with Good Engineering Practice (GEP) of Canadian Natural Resources Limited (CNRL) for producing the Doig Rapids Nordegg-Baldonnel 'F' oil pool with a project oil and gas allowable.

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

an Application from CNRL to the Division dated February 12, 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 unit 83 of Block B/94-A-16.
2. The project daily oil allowable is 30 m³.
3. Gas production from the scheme is limited to 35.0 10³ m³/d.
4. All associated gas produced must be conserved.
5. Royalty-exempt oil production from the discovery well CNRES Rabbit c-83-B/94-A-16 (WA# 9620) is limited to a volume of 2,684.4 m³ or the volume produced in the first 36 producing months, whichever is lesser.
6. This approval may be modified or rescinded at a later date if deemed appropriate.



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 12th day of March, 1998.