



August 20, 1997

7400-4900-59240-07
970757

CNRL Project (02)

Ms. Joan Jackson
Exploitation Technologist
Canadian Natural Resources Limited
2000, 425 - 1st Street S.W.
Calgary, AB T2P 3L8

(Original approval, never became effective as gas was flared.)

Dear Ms. Jackson:

RE: CONCURRENT PRODUCTION WITH GOOD ENGINEERING PRACTICE; RED CREEK - DOIG 'C' POOL

Attached is a Concurrent Production with Good Engineering Practice (GEP) scheme approval for the subject pool, as requested in your application dated August 8, 1997.

The Approval #97-07-011 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 outside the approved area.

Yours sincerely,

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

Attachment

Copies for Approval Letter to Industry (11)
RE: GEP, Salt Water Disposals, etc.

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

APPROVAL 97-07-011

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
MINISTRY OF EMPLOYMENT AND INVESTMENT
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 Red Creek Doig 'C' 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 August 8, 1997, 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 W/2 sec 03-85-21 W6M.
2. The project daily oil allowable is 87.1 m³.
3. Gas production from the scheme is limited to 45.0 10³ m³/d.
4. All associated gas produced must be conserved.
5. The project shall be deemed to have commenced upon conservation of gas referred to in clause 4, with the ministry being notified in writing of the date of commencement.
6. An oil well may be drilled anywhere within the project area provided that it is not completed nearer than 100 m to the sides of the approved area.
7. Royalty-exempt oil production from the discovery well CNRes Hz Red Creek 13-3-85-21 W6M (WA 10108) is limited to a volume of 11,450 m³ or the volume produced in the first 36 producing months, whichever is lesser.
8. 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 30 day of August, 1997.