



OIL AND GAS COMMISSION

May 29, 2006

0800-2600-59240-06
0800-4800-59240-06

Leonard Fabes, P.Eng.
Exploitation Engineer
Canadian Natural Resources Limited
2500, 855 – 2nd Street SW
Calgary AB T2P 4J8

OIL AND GAS COMMISSION

MAY 30 2006

Dear Mr. Fabes:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
BEG – BLUESKY “F” AND HALFWAY “E” POOLS**

The Commission has reviewed your application dated April 12, 2006 requesting Good Engineering Practice (GEP) scheme approvals for producing gas from the Bluesky and Halfway formations in the Beg area.

The wells in the area under application have been mapped by the OGC as the Beg – Bluesky “F” and Beg – Halfway “E” non-associated gas pools.

Attached are GEP scheme Approvals 06-06-030 and 06-06-031 granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. These approvals are intended to allow operational flexibility and to allow the production of gas wells without spacing and target considerations for maximization of gas recovery.

Should you have any questions, please contact Richard Slocomb (250) 952-0366.

Sincerely,

Doug McKenzie
Director
Resource Conservation Branch

Attachment

Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.

Copy 10

<input checked="" type="checkbox"/>	Daily	<input type="checkbox"/>	G. Farr
<input type="checkbox"/>	Wellfile	<input type="checkbox"/>	D. Krezanoski
<input type="checkbox"/>	59240	<input type="checkbox"/>	L. Miller
<input type="checkbox"/>	R. Slocomb	<input type="checkbox"/>	Resource Rev.
<input type="checkbox"/>	R. Stefik	<input type="checkbox"/>	S. Chicorelli

RESOURCE CONSERVATION BRANCH

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APPROVAL 06-06-030

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

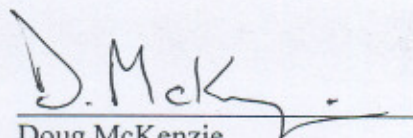
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Canadian Natural Resources Limited (CNRL) for producing the Beg Bluesky "F" gas pool without well spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of CNRL for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from CNRL to the Commission dated April 12, 2006.

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

1. The area of the project shall consist of:
94-G-1 Block F – units 51, 61
Block G – unit 38, 39, 48, 49, 58-60 and 68-70.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project area.
3. The gas wells within the project area may be produced without individual well allowable restrictions.
4. This approval may be modified or rescinded at a later date if deemed appropriate.


Doug McKenzie
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of May 2006.

APPROVAL 06-06-031

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


IN THE MATTER of a Good Engineering Practice (GEP) scheme of Canadian Natural Resources Limited (CNRL) for producing the Beg Halfway "E" gas pool without well spacing and target restrictions.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of CNRL for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from CNRL to the Commission dated April 12, 2006.

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

1. The area of the project shall consist of:
 - 94-G-1 Block F – units 51, 61
 - Block G – unit 38, 39, 48, 49, 58-60 and 68-70.
2. The requirements of Section 10 of the *Drilling and Production Regulation* are hereby waived, provided that gas wells within the project area are not completed nearer than 250 m to the sides of the approved project area.
3. The gas wells within the project area may be produced without individual well allowable restrictions.
4. This approval may be modified or rescinded at a later date if deemed appropriate.


Doug McKenzie
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 29 day of May 2006.