



August 17, 2005

0800-4800-59240-06
OGC – 05229

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

CNRL Project (03)

Dear Mr. Fabes:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #2
BEG – HALFWAY “A” POOL**

Oil and Gas Commission staff have reviewed the application, dated May 3, 2005, requesting an amendment to the subject Good Engineering Practice (GEP) scheme approval.

The attached Approval 01-06-001 (Amendment #2), is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*.

This approval is intended to allow increased gas well density without regard for spacing and target regulations in order to maximize pool recovery. Amendment #2 extends the approval areas by several spacing areas to the south.

Should you have any questions, please contact Ron Stefik at (250) 952-0310.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- R. Slocomb
- D. Krezanoski

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0291
Location: 6th Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110th Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744
www.ogc.gov.bc.ca

APPROVAL 01-06-001 (Amendment #2)

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 a portion of the Beg Halfway "A" pool gas 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 amends 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 November 7, 2000, July 15, 2003 and May 3, 2005.

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

1. The area of the project shall consist of:

94-A-13 Block E - units 60, 70

94-B-16 Block H - units 51-53, 61-63, 72, 73, 82, 83, 92-97

Block I - units 2-7, 14-17, 24-27, 34-39, 44-49, 58-60, 68-70, 76-80, 86-90, 100

Block J - units 51, 61, 71-73, 81-83, 91-93

94-G-1 Block A - unit 10

Block B - units 1-3, 12-15, 22-25, 34-37, 44-47, 52-59, 62-69, 74-77 and 84-87.

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.



Craig Gibson

Director

Resource Conservation Branch

Oil and Gas Commission

DATED AT the City of Victoria in the Province of British Columbia, this 17th day of August 2005.