



OIL AND GAS COMMISSION

April 25, 2007

3380-4800-59240-06

Montie Hale, EIT
Exploitation Engineer
Canadian Natural Resources Limited
Suite 2500, 855 – 2 Street SW
Calgary AB T2P 4J8

Dear Mr. Hale:

RE: GOOD ENGINEERING PRACTICE APPROVAL
DAHL – HALFWAY “E” POOL

Commission staff have reviewed your application dated March 20, 2007 requesting a Good Engineering Practice (GEP) scheme approval for producing Halfway formation gas in the Dahl field.

Attached is GEP project Approval 07-06-018, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, for a single gas spacing area. No objections were received following public notice of this application.

The second well drilled within this gas spacing area targeted a seismic anomaly thought to be a separate pool. However, well test data has confirmed that both wells CNRL Dahl a-74-H/94-H-7 (WA# 20961) and CNRL Dahl a-84-H/94-H-7 (WA# 22393) have encountered the same Dahl – Halfway “E” gas pool.

The Halfway formation in these wells consists of gas pay over water. Due to the high porosity and permeability, aggressive production would induce a high water-gas ratio. Moderate production from two drawdown locations should enable these wells to maximize pool gas recovery.

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

Sincerely,

Doug McKenzie
Director
Resource Conservation Branch

Attachment

RESOURCE CONSERVATION BRANCH

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APPROVAL 07-06-018

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 gas from the Dahl – Halfway “E” pool without spacing 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 as such scheme is described in

an Application from CNRL to the Commission dated March 20, 2007 and related submissions.

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

1. The area of the project shall consist of :
94-H-7: Block H – units 74, 75, 84 and 85.
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. 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 25th day of April 2007.