

February 16, 2005

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Canadian Natural Resources Limited
Suite 2500, 855 – 2 Street SW
Calgary AB T2P 4J8

3430-2400-59240-06 OGC - 05046

CNRL Project (02)

Dear Mr. Wylie:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #2
DRAKE - NOTIKEWIN "A" POOL

Attached is a Good Engineering Project (GEP) scheme approval amendment for the subject pool, as requested in your applications of December 15, 2004 and December 20, 2004.

As noted above, CNRL submitted two GEP amendments, one for the Drake – Notikewin "A" pool and another for the Velma – Notikewin "A" pool. These two pools and therefore both existing GEP approval areas are in close proximity to each other. Several wells recently drilled and completed in the area have demonstrated that the Velma and Drake Notikewin "A" pools will be amalgamated.

The Drake – Notikewin "A" pool has the larger approved project area, of the two GEP approvals, and as such this approval has been amended. Therefore the GEP scheme Approval 03-06-042 (Amendment #2) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Consequently, the GEP approval 03-06-039, granted on October 8, 2003 is hereby rescinded.

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

Sincerely, Approval Letters to industry GEP, SWD, CONCURRENT PROD, PRESSURE MAINTENANCE, WATERFLOOD, ETC. Wellfile (originals) Craig Gibson, P. Eng. 59240 Daily Director Resource Revenue Resource Conservation Branch S. Chicorelli R. Stefik Attachment G. Farr R. Slocomb D. Krezanoski

## APPROVAL 03-06-042 (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 Drake – Notikewin "A" pool without spacing 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 as such scheme is described in

an Application from CNRL to the Commission dated December 15 and December 20, 2004.

The scheme approval of December 17, 2003, amended March 8, 2004, is hereby amended subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of;

## 94-H-1:

Block C - units 92, 93

Block E – units 31, 41, 51, 61, 71, 81

Block F – units 2, 3, 14, 15, 24, 25, 34-40, 44-50, 54, 55, 58-60, 64, 65, 68-99

Block G – units 52-59, 62-69, 72-80, 82-90, 96-100

Block J – units 6-10, 60, 70, 76-80, 86-90, 98-100

Block K - units 1-9, 12-19, 22-29, 34-37, 44-47, 51-57, 61-67, 71-77, 81-87, 91, 98-100

Block L – units 91-95.

## 94-H-8:

Block B – units 8-10, 14-20, 24-30

Block C – units 1, 8-11, 21, 32-37, and 42-47

Block D – units 1-5, 16, 17, 26 and 27.

- 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. Gas wells located within spacing areas adjoining the border of the GEP area must be restricted to a daily gas allowable of 60.0 10<sup>3</sup>m<sup>3</sup>, per spacing area, as per Section 88(7) of the *Regulation*.

5. This approval may be modified or rescinded at a later date if deemed appropriate.

Craig Gibson

Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this day of February 2005.