



OIL AND GAS COMMISSION

April 3, 2006

3430-2400-59240-06
OGC - 06128

Guy Wylie, P.Eng.
Exploitation Engineer
Canadian Natural Resources Limited
Suite 2500, 855 - 2 Street SW
Calgary AB T2P 4J8

Dear Mr. Wylie:

**RE: GOOD ENGINEERING PRACTICE APPROVALS
DRAKE - NOTIKEWIN "A" POOL**

Attached please find a Good Engineering Practice (GEP) scheme approval amendment and two new GEP approvals for production from portions of the subject pool, as requested in your application of February 22, 2006.

The Commission granted CNRL a GEP Approval 03-06-042 (Amendment #2) on February 18, 2005 and another GEP Approval 05-06-012 on February 16, 2005. Two separate portions of the Drake -Notikewin "A" pool were covered by these GEP approvals. Your request of February 22, 2006 has resulted in the amalgamation of these two approval areas into one large project area. Therefore, the GEP Approval 03-06-042 (Amendment #3), is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. Consequently the GEP Approval 05-06-012 granted on February 16, 2005, is hereby rescinded.

In addition, please note that two separate GEP approvals are also issued for the Drake - Notikewin "A" pool for non -contiguous areas as requested in your application of February 22, 2006. These GEP Approvals are 06-06-024 and 06-06-025.

No objections were received following a publication of notice of the application in the BC Gazette. These approvals are intended to allow operational flexibility and to allow the drilling of additional gas wells without spacing and target considerations for maximization of gas recovery.

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

Sincerely,

Richard Slocomb, P. Eng.
A/Director
Resource Conservation Branch

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

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|-------------------------------------|--|
| <input type="checkbox"/> Dally | <input type="checkbox"/> E. O'Neill |
| <input type="checkbox"/> Wellfile | <input type="checkbox"/> J. Merson |
| <input type="checkbox"/> 59240 | <input type="checkbox"/> D. Krezanoski |
| <input type="checkbox"/> R. Slocomb | <input type="checkbox"/> L. Miller |
| <input type="checkbox"/> R. Steflk | <input type="checkbox"/> Resource Rev. |
| <input type="checkbox"/> G. Farr | <input type="checkbox"/> S. Chicorelli |

Attachments

RESOURCE CONSERVATION BRANCH

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APPROVAL 03-06-042 (AMENDMENT #3)

**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 February 22, 2006.

The scheme approval of February 15, 2005 (Amendment #2), 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 I – units 60, 70, 78-80, 88-90

Block J – units 6-10, 51-57, 60-67, 70-90, 94, 95, 98-100

Block K – units 1-9, 12-19, 22-29, 34-37, 40, 44-47, 50-57, 61-67, 71-77, 81-87, 91-100

Block L – units 31-33, 41-43, 91-95.

94-H-8:

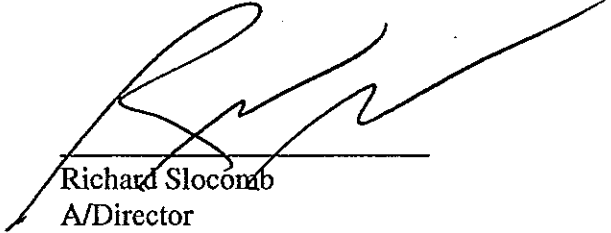
Block B – units 4, 5, 8-10, 14-20, 24-30

Block C – units 1-17, 21-27, 32-37, 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 $60.0 \times 10^3 \text{ m}^3$, 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.



Richard Slocomb
A/Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 3rd day of April 2006.