

August 4, 2006 4700-8200-59240-06

Jeff Knibbs, R.P.T. (Eng.) Exploitation Technologist Canadian Natural Resources Limited 2500, 855 – 2 Street S.W. Calgary AB T2P 4J8

Dear Mr. Knibbs:

RE: GOOD ENGINEERING PRACTICE APPROVAL 98-06-001 (AMENDMENT #3) HELMET – JEAN MARIE "A" POOL

The Commission, on April 20, 2006, issued to Canadian Natural Resources Limited (CNRL) a Good Engineering Practice (GEP) scheme Approval 98-06-001 (Amendment #2) for a portion of the Helmet – Jean Marie "A" gas pool.

EnCana Corporation, in an application dated June 19, 2006, requested a GEP scheme for an area that overlapped a portion of the GEP approval area issued to CNRL. As such, the subject GEP has been amended by removing these gas spacing units to accurately reflect the lands that are currently held by CNRL. Therefore, the units **removed** from GEP Approval 98-06-001 (Amendment #2) are as follows:

94-P-1:

Block B – units 18-20, 28, 30, 38-40, 48-50, 60, 70

Block C – units 11, 21, 31, 41, 51 and 61.

The attached GEP scheme Approval 98-06-001 (Amendment #3) is hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. All other conditions remain unchanged.

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

Sincerely,

Doug McKenzie

Director

Resource Conservation Branch

Attachment

APPROVAL 98-06-001 (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 Helmet – Jean Marie "A" pool gas without well spacing, target and production 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 to the Commission dated December 10, 1997 and related submissions.

This scheme approval of April 20, 2006, is hereby amended, subject to the conditions herein contained and, in particular:

1. The area of the project shall consist of:

94-P-1:

Block A - units 96-100

Block B - units 78-80, 88-90, 91-100

Block C - units 71-77, 81-87, 91-100

Block D - units 91-95

Block E - units 1-5, 11-15, 21-25, 31-35, 41-45

Block F - units 1-33, 36-43, 46-51, 61, 71, 81

Block G - units 1-50, 58-60, 68-70, 80, 90

Block H - units 6-10, 16-20, 26-30, 40, 50

- 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 8 day of August 2006.