

OIL AND GAS COMMISSION

April 20, 2006

4700-8200-59240-06 OGC - 06154

CNRL Project #2 (04)

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

Dear Mr. Knibbs:

RE: GOOD ENGINEERING PRACTICE

APPROVAL 98-06-001 (AMENDMENT #2) HELMET – JEAN MARIE "A" POOL

The Commission, on February 3, 2005, issued Canadian Natural Resources Limited (CNRL) a Good Engineering Practice (GEP) scheme Approval 98-06-001 (Amendment #1) for a portion of the Helmet – Jean Marie "A" gas pool.

EnCana Corporation, in an application dated March 8, 2006, requested a GEP scheme for an area that overlapped a portion of the GEP approval area issued to CNRL on February 3, 2005. The overlapping area covers several gas spacing units in Block F and G/094-P-01. 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 the GEP Approval 98-06-001 (Amendment #1) are as follows:

94-P-1:

Block F – units 52-55, 62-65, 72-77, 82-87

Block G – units 54-57, 64-67, 74-79 and 84-89.

The attached GEP scheme Approval 98-06-001 (Amendment #2) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. All other conditions remain unchanged.

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

Sincerely, Approval Letters to Industry GEP, SWD, Concurrent Prod, Pressure Maintenance, Waterflood, Etc. Copy 12 Daily E. O'Neill Richard Slocomb, P. Eng. Wellfile J. Merson 59240 D. Krezanoski A/Director R. Slocomb L. Miller Resource Conservation Branch R. Stefik Resource Rev. G. Farr S. Chicorelli Attachment

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

APPROVAL 98-06-001 (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 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 from Crestar to the Commission dated December 10, 1997 and related submission.

This scheme approved, 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 18-20, 28-30, 38-40, 48-50, 60, 70, 78-80, 88-90, 91-100

Block C - units 11, 21, 31, 41, 51, 61, 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.

Richard Slocomb

Acting Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 20 day of April 2006.