

March 27, 2012

4700-8150-59240-06

Lee Marchcuk, EIT  
Exploitation Engineer  
Canadian Natural Resources Ltd.  
2500, 855-2<sup>nd</sup> Street SW  
Calgary AB T2P 4J8

Dear Mr. Marchuk:

**RE: GOOD ENGINEERING PRACTICE SPECIAL PROJECT, AMENDMENT #1  
OTHER THAN NORMAL SPACING ORDER  
HELMET FIELD – KAKISKA “B” POOL**

---

The Commission has reviewed your application dated February 22, 2012, requesting to amendment of a previously issued Good Engineering Practice approval in the Helmet field – Kakiska formation. Canadian Natural Resources Ltd. (CNRL), having purchased the majority of the land rights and wells from the previous owner, EnCana Corporation, seeks to transfer the GEP into their name.

The following Order is attached;

- 1) Order 06-06-028 (Amendment #1) designating Good Engineering Practice within a portion of the Helmet field Kakiska “B” pool as a Special Project under section 75 of the *Oil and Gas Activities Act*, and
- 2) Order 06-06-028-OTN (Amendment #1) approving Other Than Normal Spacing under section 65.1 of the *Petroleum and Natural Gas Act* for the subject pool and area.

As a Good Engineering Practice special project, the applicant intends to locate, complete and operate wells in a manner to optimize resource recovery while minimizing surface impacts. No notification period was required for this amendment. This GEP is transferred to CNRL, excluding any lands where CNRL does not have ownership.

Should you have any questions, please contact Ron Stefik at (250) 419-4430 or Curtis Kitchen at (250) 419-4443.

Sincerely,



Paul Jeakins  
Commissioner & CEO  
Oil and Gas Commission


Attachments

IN THE MATTER of an application from Canadian Natural Resources Ltd. to the Oil and Gas Commission dated February 22, 2012 for an amendment to a Good Engineering Practice project.

**ORDER 06-06-028 (AMENDMENT #1)**

- 1 Under Section 75(1)(a) of the *Oil and Gas Activities Act*, the Helmet field – Kakiska “B” pool is designated as a special project for the enhanced recovery of natural gas utilizing Good Engineering Practice within the following area;

NTS 94-P-2    Block A - units 60, 70, 78-80, 88-90  
                  Block B - units 51-53, 61-63, 71-73 and 81-83.

  
\_\_\_\_\_  
Paul Jenkins  
Commissioner & CEO  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 27<sup>th</sup> day of March 2012.

IN THE MATTER of an application from Canadian Natural Resources Ltd. to the Oil and Gas Commission dated February 22, 2012 for Other Than Normal Spacing.

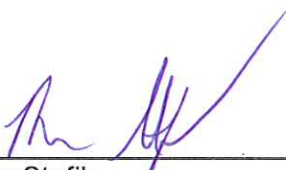
**ORDER 06-06-028-OTN (AMENDMENT #1)**

- 1 Under Section 65.1(2) of the *Petroleum and Natural Gas Act*, Other Than Normal Spacing is approved within the Helmet field Kakiska "B" pool within the following area;

NTS 94-P-2 Block A - units 60, 70, 78-80, 88-90  
Block B - units 51-53, 61-63, 71-73 and 81-83.

- 2 Under section 65.1(3) of the *Petroleum and Natural Gas Act*, I specify the following:

- a) the target area for a gas well completed within the project area is not nearer than 250 m to the sides of the Other Than Normal Spacing area,
- b) a gas well completed outside the specified target area may be subject to an off-target production penalty,
- c) gas wells drilled within the specified project area are not subject to spacing requirements.

  
\_\_\_\_\_  
Ron Stefik  
Sr Technical Advisor, Reservoir Engineering  
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 27<sup>th</sup> day of March 2012.