

November 16, 2009

9021-5000-59240-06

Rod McDougall, P. Eng
Exploitation Engineer
Canadian Natural Resources Ltd.
2500, 855 – 2nd Street S.W.
Calgary AB T2P 4J8

Dear Mr. McDougall:

**RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #2
HERITAGE – MONTNEY “A” POOL**

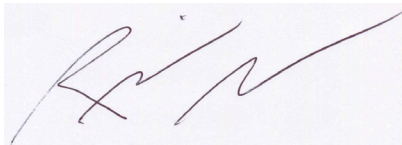
Commission staff have reviewed the application, dated October 5, 2009, requesting an amendment to the Good Engineering Practice (GEP) scheme approval for producing gas from the Montney formation in the Septimus area. The area of application has been identified as an extension of the regional Heritage field – Montney “A” pool based on existing well control and the regional deposition of the gas charged Montney formation.

Attached is Approval 08-06-001 Amendment #2, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, increasing the area size and changing the Septimus field designation to Heritage. This approval is intended to allow the drilling and production of gas wells without regard for spacing and target restrictions for maximization of gas recovery. No written objections were received following notice of this application on the OGC website.

Portions of the GEP area with rights held under Drilling License will require Lease selection prior to production from wells on the affected tenure.

Should you have any questions, please contact the undersigned at (250) 419-4421 or Travis Mercure at (250) 419-4448.

Sincerely,



Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering
Resource Conservation

Attachment

APPROVAL 08-06-001 (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 Ltd. (CNRL) for producing gas from a portion of the regional Heritage – Montney “A” pool without spacing and target 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

Applications from CNRL to the Commission dated December 3, 2007, March 9, 2009, and October 5, 2009, and related submissions.

This scheme is approved, subject to the conditions herein contained and, in particular:

1. The area of the scheme shall consist of;

Twp 80 Rge 19 W6M – Sections 26 – 35

Twp 80 Rge 20 W6M – Sections 25, 36

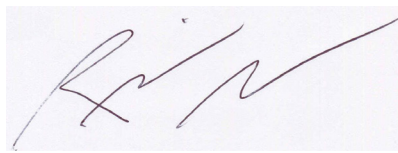
Twp 81 Rge 19 W6M – Sections 1, 3 – 6, 8 – 11, 13 – 32, 36

Twp 81 Rge 20 W6M – Sections 1, 23 – 26, 35, 36

Twp 82 Rge 19 W6M – Sections 1, 4, 5, 8 – 12

Twp 82 Rge 20 W6M – Sections 1, 2

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
Supervisor, Reservoir Engineering
Resource Conservation
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 16 day of November 2009.