



February 22, 2010

9021-5000-59240-06

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

Dear Mr. McDougall:

RE: GOOD ENGINEERING PRACTICE APPROVAL, AMENDMENT #3
HERITAGE – MONTNEY “A” POOL

Commission staff have reviewed your application, dated February 10, 2010, requesting an amendment to the Good Engineering Practice (GEP) scheme approval for producing from the Heritage field Montney formation.

Attached is Approval 08-06-001 (Amendment #3), hereby granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*. Gas target buffer distances have been reduced to 150 meters for multiple section boundaries, based on documentation of consent from off-setting rights owners, to allow the drilling and production of gas wells within the GEP area for maximization of gas recovery.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Slocomb'.

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

Attachment

APPROVAL 08-06-001 (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 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, October 5, 2009, February, 10, 2010, and related submissions.

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

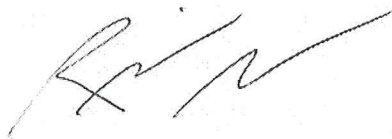
1. The area of the scheme shall consist of;

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 scheme area are not completed nearer than 250 m to sides of the approved project area, except for 150 m to the:

north side of sections 26, 27, and 28-81-19W6
north side of section 31-81-19W6
east side of section 32-81-19W6
west side of section 36-81-19W6
west side of sections 1 and 5-82-19W6
east side of section 4-82-19W6
south side of sections 10 and 11-82-19W6
east and north sides of section 1-82-20W6

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 22nd day of February 2010.