



OIL AND GAS COMMISSION

January 26, 2004

5870-8200-59240-06
OGC - 04024

Kelvin Hunter
Exploitation Engineer
Canadian Natural Resources Limited
2500, 855 - 2nd Street S.W.
Calgary AB T2P 4J8

CNRL Project #2 (03)

Dear Mr. Hunter:

RE: GOOD ENGINEERING PRACTICE APPROVAL
MIDWINTER - JEAN MARIE "A" POOL

Attached is a Good Engineering Project (GEP) scheme approval, as requested in your application of December 1, 2003 entitled "CNRL Midwinter Jean Marie A".

The Commission maps the area of application as a portion of the Midwinter - Jean Marie "A" non-associated gas pool.

The Approval 04-06-006 is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. As this is the second GEP approval in the subject pool now operated by the applicant (the original issued to Gulf Canada on November 25, 1996), the project name shall be "CNRL Project #2".

This approval is intended to allow operational flexibility and to allow the drilling and production of horizontal gas wells without spacing and target considerations for maximization of gas recovery.

It is noted that the GEP approval area includes several Drilling Licences. Please note that Petroleum and Natural Gas Lease selection must be made prior to production from these lands.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.

Copy 9

| | |
|--------------------------|----------------------|
| <input type="checkbox"/> | Wellfile (originals) |
| <input type="checkbox"/> | 59240 |
| <input type="checkbox"/> | Daily |
| <input type="checkbox"/> | Resource Revenue |
| <input type="checkbox"/> | S. Chicorelli |
| <input type="checkbox"/> | R. Steflk |
| <input type="checkbox"/> | G. Farr |
| <input type="checkbox"/> | P. Attariwala |
| <input type="checkbox"/> | D. Krezanoski |

RESOURCE CONSERVATION BRANCH

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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 Midwinter 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 approves the GEP scheme of CNRL for drilling wells without spacing and target restrictions, as such scheme is described in

an Application from CNRL to the Commission dated December 1, 2003.

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

1. The area of the project shall consist of:

94-P-15:

Block A - units 91-93, 96, 97

Block H - units 1-3, 6, 7, 11-17, 21-27, 31-37, 41-47, 51-57, 61-67, 71-75, 81-85, 94, 95

Block I - units 4, 5, 14, 15, 24, 25

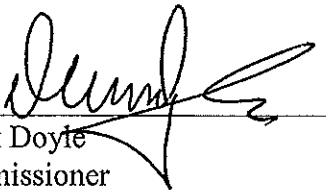
94-P-16:

Block D - unit 100

Block E - units 10-13, 20-23, 30-33, 38-43, 48-90

Block F - units 20, 30, 40, 50, 60, 70, 80, 90.

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.


Derek Doyte
Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 21 day of January 2004.