



April 26, 2004

6140-4800-59240-06
OGC - 04151

CNRL Project (04)

Leonard Fabes, P.Eng.
Exploitation Engineer
Canadian Natural Resources Limited
Suite 2500, 855 - 2 Street S.W.
Calgary AB T2P 4J8

Dear Mr. Fabes:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
MONIAS - HALFWAY FORMATION**

The Commission has reviewed your application dated January 21, 2004 and modified April 14, 2004, requesting a Good Engineering Project (GEP) scheme approval for producing gas from the Halfway formation of the Monias field.

Attached is Approval 04-06-037, granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. For regulatory purposes, the various Halfway sands encountered in the areas of application are deemed a single Halfway pool.

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

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 or Ron Stefik at (250) 952-0310.

Sincerely,

Craig Gibson, P. Eng.
Director
Resource Conservation Branch

Attachment

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

Copy 9

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- D. Krezanoski

RESOURCE CONSERVATION BRANCH

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APPROVAL 04-06-037

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 Monias Halfway formation gas wells without spacing and target restrictions.

NOW, THEREFORE, the Oil and Gas Commission (Commission), pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of CNRL as such scheme is described in

an Application from CNRL to the Commission dated January 21 and April 14, 2004.

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

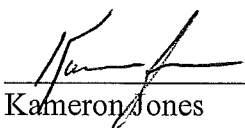
1. The area of the project shall consist of:

Twp 82 Rge 21 W6M - sections 5 - 9, 16, 17 and 21.

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 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.



Kameron Jones
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Fort St. John, in the Province of British Columbia, this 15 day of April 2004.