



OIL AND GAS COMMISSION

February 7, 2005

6140-4800-59240-06
OGC - 05037

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

CNRL Project (03)

Dear Mr. Fabes:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
TOWNSHIP 81 RANGE 22 SECTION 22 W6M
MONIAS - HALFWAY FORMATION "T"**

The Commission has reviewed your application dated January 26, 2005, requesting a Good Engineering Project (GEP) scheme approval for producing gas from the Halfway "T" and "U" pools in the Monias field.

The Commission issued two Good Engineering Practice (GEP) scheme approvals (#01-06-004 & #01-06-005) on March 21, 2001 for the subject area, Halfway formation. Review by Commission staff would indicate that section 22-81-22 W6M should not have been included in these approvals, as the applicant had not provided letters of consent from the registered tenure holders. Approvals #01-06-004 & #01-06-005 have now been amended to exclude section 22.

Attached is Approval 05-06-008, granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. The approval area will be identified as a portion of the Monias Halfway "T" pool unless proven otherwise.

The approval is intended to allow the drilling and production of gas wells without spacing consideration for maximization of gas recovery.

Should you have any questions, please contact 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
- R. Slocomb
- D. Krezanoski

RESOURCE CONSERVATION BRANCH

PO Box 9329 Stn Prov Gov't, Victoria BC V8W 9N3 Tel: (250) 952-0302 Fax: (250) 952-0301
Location: 6th Flr 1810 Blanshard St, Victoria BC

APPROVAL 05-06-008

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION

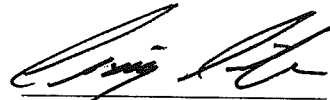
IN THE MATTER of a Good Engineering Practice (GEP) scheme of Canadian Natural Resources Limited (CNRL) for producing Monias Halfway formation gas wells without spacing and target restrictions.

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 26, 2005 and related submissions.

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

1. The area of the project shall consist of:
Twp 81 Rge 22 W6M - section 22.
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.



Craig Gibson
Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 7th day of February 2005.