

October 4, 2004

6800-2700-59240-06  
OGC - 04285

Wayne Kennedy, P.Eng.  
Exploitation Engineer  
Canadian Natural Resources Limited  
Suite 2500, 855 - 2 Street SW  
Calgary AB T2P 4J8

CNRL Project (02)

Dear Mr. Kennedy:

**RE: GOOD ENGINEERING PRACTICE APPROVAL (AMENDMENT #1)**  
**PEEJAY - GETHING "B" POOL**

The Commission has reviewed your application dated August 13, 2004 requesting an amendment to a Good Engineering Practice (GEP) scheme approval for producing Gething formation gas from the Peejay field.

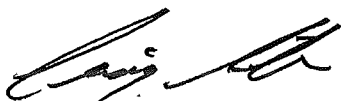
The OGC has mapped a portion of the area of application as the Peejay - Gething "B" non-associated gas pool. Ultimately it may be difficult to map one unit across the whole application area since much of the area under application is still undeveloped and due to the complexity and variability of the Gething sandstone in this area. For ease of administration the GEP approval will be attached to the Gething "B" pool.

Attached is an amended GEP scheme approval for the subject area. The Approval 03-06-040 (Amendment #1) is hereby granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*. This amendment expands the area of the original approval.

This approval is intended to allow operational flexibility and to allow the production of additional gas wells for maximization of gas recovery.

Should you have any questions, please contact Richard Slocomb at (250) 952-0366 or Ron Stefik (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: 6<sup>th</sup> Flr 1810 Blanshard St, Victoria BC

Headquarters: #200, 10003 110<sup>th</sup> Ave, Fort St. John BC V1J 6M7 Tel: (250) 261-5729 Fax: (250) 261-5744 www.ogc.gov.bc.ca

**APPROVAL 03-06-040 (Amendment #1)**

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

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IN THE MATTER of a Good Engineering Practice (GEP) scheme of Canadian Natural Resources Limited (CNRL) for producing the Peejay – Gething “B” gas pool without well spacing or target restrictions.

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

*an Application from CNRL to the Commission dated October 14, 2003 and August 13, 2004.*

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

1. The area of the scheme shall consist of ;

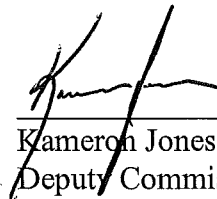
94-A-15: Block I – units 16, 17, 26, 27, 31-39, 41-49, 51-55, 61-65, 71-75, 81-85.

94-A-16: Block L – units 40, 50, 60, 70, 80 and 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. Gas wells located within spacing areas directly adjoining producing non-project spacing areas must be restricted to a daily gas allowable of  $60.0 \times 10^3 \text{ m}^3/\text{d}$ , per spacing area, as per Section 88(7) of the Regulations.

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 23<sup>rd</sup> day of September 2004.