



April 8, 2004

7250-2400-59240-06
OGC - 04129

CNRL Project #2(03)

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

Dear Mr. Wylie:

**RE: GOOD ENGINEERING PRACTICE APPROVAL
PICKELL - NOTIKEWIN "A" POOL**

The Commission has reviewed your application dated February 10, 2004 requesting a Good Engineering Practice (GEP) scheme approval for producing gas from the Mike area Notikewin formation.

The OGC has mapped the zone of application as the Pickell - Notikewin "A" gas pool.

Attached is GEP scheme Approval 04-06-032, granted under Part 8, Division 6, Section 101 of the British Columbia *Drilling and Production Regulation*, for a portion of the subject pool. This approval is intended to allow operational flexibility and to allow the production of additional gas wells for maximization of gas recovery. As this is the second GEP granted to CNRL for the subject pool, the first being Approval 03-06-013, issued April 7, 2003, the subject scheme shall be referred to as CNRL Project #2.

Should you have any questions, please contact Peter Attariwala at (250) 952-0311 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 10

- Wellfile (originals)
- 59240
- Daily
- Resource Revenue
- S. Chicorelli
- R. Stefik
- G. Farr
- P. Attariwala
- C. Gibson
- 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 1840 Blanshard St, Victoria BC

APPROVAL 04-06-032

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 Pickell – Notikewin “A” pool without spacing restrictions.

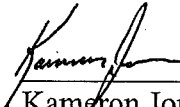
NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, hereby approves the GEP scheme of CNRL as such scheme is described in

an Application from CNRL to the Commission dated February 10, 2004 and related submission.

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

1. The area of the scheme shall consist of ;

94-H-3: Block H – units 32, 33, 42, 43, 52-55, 62-65, 72-75 and 82-85.
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. Gas wells located within spacing areas adjoining the border of the GEP area must be restricted to a daily gas allowable of $60.0 \text{ } 10^3 \text{ m}^3$, per spacing area, as per Section 88(7) of the *Regulation*
5. 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 31st day of March 2004.