



OIL AND GAS COMMISSION

February 13, 2006

7250-2400-59240-06

OGC - 06045

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

CNRL Project #1 (02)
CNRL Project #3 (12)

Dear Mr. Fabes:

**RE: GOOD ENGINEERING PRACTICE APPROVALS
PICKELL - NOTIKEWIN "A" POOL
CNRL PROJECT #1, AMENDMENT #1
CNRL PROJECT #3**

Commission staff have reviewed your application, dated November 20, 2005, requesting Good Engineering Practice (GEP) scheme approval for portions of the Pickell - Notikewin "A" non-associated gas pool.

Attached are GEP project Approval 03-06-013 (Amendment #1); CNRL Project #1, and Approval 06-06-011; CNRL Project #3, granted under Part 8, Division 6, Section 101 of the *Drilling and Production Regulation*, for portions of the subject pool. These approvals are intended to allow operational flexibility for the drilling and production of additional gas wells to maximize gas recovery.

Gas production limits have been assigned to lease line spacing areas, as per prior approvals in this area of competitive drainage, with GEP approvals granted to multiple operators. One gas spacing area was withdrawn from the application, as per your request letter dated February 9, 2006.

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

Sincerely,

Richard Slocomb, P. Eng.
A/Director
Resource Conservation Branch

**Approval Letters to Industry
GEP, SWD, Concurrent Prod, Pressure
Maintenance, Waterflood, Etc.**

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<input type="checkbox"/>	Daily	<input type="checkbox"/>	E. O'Neill
<input type="checkbox"/>	Wellfile	<input type="checkbox"/>	J. Merson
<input type="checkbox"/>	59240	<input type="checkbox"/>	D. Krezanoski
<input type="checkbox"/>	R. Slocomb	<input type="checkbox"/>	L. Miller
<input type="checkbox"/>	R. Stefik	<input type="checkbox"/>	Resource Rev.
<input type="checkbox"/>	G. Farr	<input type="checkbox"/>	S. Chicorelli

Attachments

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

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

APPROVAL 03-06-013 (Amendment #1)

**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 amends the GEP scheme approval of CNRL as such scheme is described in

an Application from CNRL to the Commission dated March 5, 2003, November 30, 2005 and related submissions.

The scheme approval of April 7, 2003 is hereby amended, subject to the conditions herein contained and, in particular:

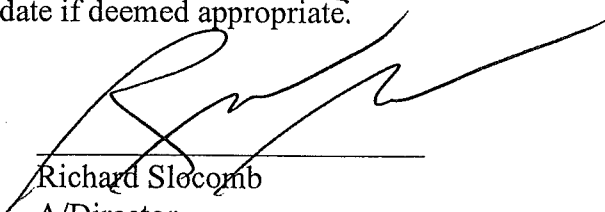
1. The area of the scheme shall consist of:

94-H-3: Block B – units 96-99

Block F – units 11, 21, 31, 41, 51, 61

Block G – units 6-9, 12-20, 22-30, 36-40, 46-50, 58-60 and 68-70.

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 $60.0 \times 10^3 \text{ m}^3$, 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.


Richard Slocomb
A/Director

Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 13th day of February 2006.

APPROVAL 06-06-011

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 approval of CNRL as such scheme is described in

an Application from CNRL to the Commission dated November 30, 2005 and related submissions.

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

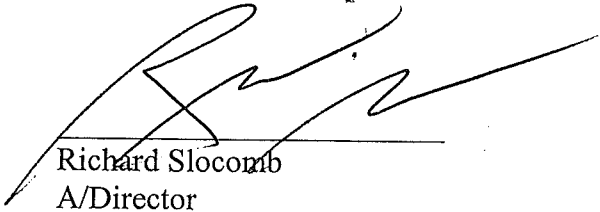
1. The area of the scheme shall consist of:

94-H-3: Block A – units 56, 57, 66 and 67.

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 must be restricted to a daily gas allowable of $60.0 \times 10^3 \text{m}^3$.

4. This approval may be modified or rescinded at a later date if deemed appropriate.


Richard Slocomb
A/Director
Resource Conservation Branch

DATED AT the City of Victoria, in the Province of British Columbia, this 13th day of February 2006.