June 24, 2008

1000-2600/8160-2700-59070-20

Marcus Schlegel Production Engineer Canadian Natural Resources Limited Suite 2500, 855 – 2 Street SW CALGARY AB T2P 4J8

Dear Mr. Schlegel:

RE: COMMINGLED PRODUCTION APPROVAL CNRL W BEG c-53-C/94-G-1; WA# 23637

Commission staff have reviewed your application dated April 28, 2008 requesting permission to commingle production from the Bluesky and Gething zones encountered in the subject well.

The Commission designates these multi-well pools as the Beg West field - Bluesky "B" and Town field - Gething "A". Production from the Bluesky commenced from this well in February 2008, presently at a gas rate of $13 \, \mathrm{e}^3 \mathrm{m}^3 / \mathrm{d}$ with $3 \, \mathrm{m}^3 / \mathrm{d}$ water. The Gething was flow tested at $8 \, \mathrm{e}^3 \mathrm{m}^3 / \mathrm{d}$. Liquid loading will impede continued production from the Bluesky. Bluesky gas is sweet, this Gething pool is recorded as $0.36\% \, \mathrm{H_2S}$, however a letter of no-objection to commingling has been provided from the operator of the other wells in the pools.

Commingled production through a single production string is expected to lift liquids to maximize production and reserve recovery from both zones.

Commingled production is hereby approved, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. Production from the Bluesky (1233.5 1240.5 mKB) and Gething (1285.0 1287.0 mKB) zones may be commingled.
- 2. Gas, condensate and water production should be allocated on the Ministry of Small Business and Revenue BC S-1, BC S-2 and BC S-8 forms on the basis of Bluesky 60% and Gething 40%.
- 3. This approval may be modified at a later date if deemed appropriate through a change in circumstances.

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

Sincerely,

Ron Stefik, AScT

Sr. Reservoir Engineering Technologist