

January 30, 2008

2000-4540/4800-59070-20

Rod McDougall, P.Eng. Exploitation Engineer Canadian Natural Resources Limited 2500, 855 – 2 Street S.W. CALGARY AB T2P 4J8

Dear Mr. McDougall:

RE: COMMINGLED PRODUCTION APPROVAL CNRL ET AL BOUNDARY 10-5-87-13 W6M; WA# 4279

Commission staff have reviewed your application dated January 4, 2008 requesting permission to commingle production from the Boundary Lake field Coplin "A" and Halfway "B" pools in the subject well.

Both of these multi-well pools are reaching a mature stage of depletion. The Halfway is producing up the tubing at an average rate of $11.3 \ 10^3 \text{m}^3/\text{d}$ (Gp= $4.7 \ \text{Bcf}$). The Coplin via the tubing/casing annulus produces at less than $0.5 \ 10^3 \text{m}^3/\text{d}$ (Gp= $0.5 \ \text{Bcf}$), interpreted as liquid loading interference.

Both pools are currently at reduced pressure. The Halfway gas composition is somewhat sour $(0.65\% H_2S)$, however crossflow into the sweet Coplin should not be an issue during production, the stated preventative measure is included as condition #3 below. Commingled production to lift all liquids up the tubing is expected to maximize production and reserve recovery from the Coplin zone. A letter of no objection to this application has been received from the other company producing from these pools.

We wish to advise that your application to commingle 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 Coplin (1378.0–1380.0 mKB) and Halfway (1429.0–1437.0 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-08 forms on the basis of Coplin 10% and Halfway 90%. The allocation factors may be amended to reflect results of any future tests.
- 3. The sliding sleeve must be closed during periods of prolonged shut-in.
- 4. 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