



May 26, 2008

6220-4060-32640-02

Ralph White, P.Eng.
Exploitation Engineer - Foothills
Canadian Natural Resources Limited
Suite 2500, 855 – 2nd Avenue SW
Calgary, Alberta T2P 4J8

Dear Mr. White:

RE: SALT WATER DISPOSAL APPLICATION
CNRL Hz Murray b-08-J/93-I-14, (WA# 8006); Pardonet-Baldonnel Formation

The Commission has reviewed your application dated September 10, 2007 requesting permission to dispose of produced water in the Pardonet-Baldonnel formation of the subject well.

Your request for water disposal was originally denied as it was deemed to be premature and thought to be placing considerable risk on unrecovered reserves. CNRL met with Commission staff on March 17, 2008 to present additional information in support of their application. CNRL anticipates that an additional 16.8 Bcf of raw gas will be recovered from other producing wells in the area due to having water disposal nearby. Additionally, difficult terrain may not allow another well to be drilled in the undrained portion of the subject pool. Furthermore proposed water disposal volumes are small.

Based on the additional information provided by CNRL, the Commission agrees that the proposed well would be a suitable candidate for salt water disposal in the Pardonet-Baldonnel formation. Notice of your application was posted to the OGC website and no objections were received.

Attached is Approval 08-02-004 for the application granted under Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*.

Sincerely,

Richard Slocomb, P.Eng.
Supervisor, Reservoir Engineering

RESOURCE CONSERVATION

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APPROVAL 08-02-004

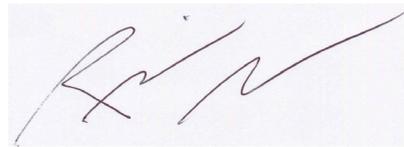
**THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
OIL AND GAS COMMISSION**

IN THE MATTER of a scheme of Canadian Natural Resources Limited (CNRL) for Salt Water Disposal (SWD) in the Pardonet-Baldonnel formation in the well CNRL HZ MURRAY b-08-J/93-I-14 (WA# 8006).

NOW, THEREFORE, pursuant to Part 8, Division 3, Section 94 of the *Drilling and Production Regulation*, the scheme is hereby approved, as such scheme is described in

an application from CNRL to the Commission received September 10, 2007 and related submissions.

1. The disposal interval must be in the Pardonet-Baldonnel formation (1114.0 – 1373.0 mKB).
2. A record of volume of salt water and recovered fluid disposed of through this well must be included on a Monthly Injection/Disposal Statement, in the prescribed form (BC-S18), which must be submitted to the Oil and Gas Commission not later than the 25th day of the month following the reported month.
3. The disposal/injection pressure at the sandface must not exceed the formation fracture pressure.
4. The Commission must be notified in writing of the date of commencement of disposal.
5. This approval may be modified or rescinded if deemed appropriate through a change in circumstances.



Richard Slocomb
Supervisor, Reservoir Engineering
Resource Conservation
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 26th day of May 2008.