

July 17, 2012

7750-2800-32640-02

Rod McDougall, P.Eng
Development Engineer
Canadian Natural Resources Limited
2500, 855 – 2nd Street, SW
Calgary AB T2P 4J8

Dear Mr. McDougall:

**RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT, AMENDMENT #1
CNRL SEPTIMUS G05-23-81W6M, WA#26299
SEPTIMUS FIELD – CADOMIN FORMATION**

Oil and Gas Commission (Commission) staff have reviewed the application, dated June 28, 2012, requesting an increase in the maximum allowable wellhead injection pressure from 13,000 kPa to 17,300 kPa for the subject well, approved for disposal December 8, 2010. Information submitted supports this amendment request.

Attached please find **Order 10-02-008 Amendment #1**, designating an area in the Septimus field – Cadomin formation a Special Project under section 75 of the Oil and Gas Activities Act, for use of a storage reservoir for the disposal of produced water and flowback from fracture operations, specifically development of tight gas resources in the Montney formation.

Should you have any questions, please contact Curtis Kitchen at (250) 419-4443 or Ron Stefik at (250) 419-4430.

Sincerely,


Richard Slocomb, P.Eng
Deputy Commissioner
Oil and Gas Commission

Attachment


IN THE MATTER of the application from Canadian Natural Resources Limited, to the Oil and Gas Commission (Commission) dated June 28, 2012 for the operation and use of a storage reservoir.

ORDER 10-02-008 Amendment #1

- 1 Under Section 75(1)(d) of the *Oil and Gas Activities Act*, the Commission designates the operation and use of a storage reservoir for the disposal of produced salt water and flowback from fracturing operations into the Septimus field Cadomin formation as a special project in the following area:

DLS Twp 81 Rge 19 W6M Section 23 – Lsds 3, 4, 5, 6.

- 2 Under section 75(2) of the *Oil and Gas Activities Act*, the special project designation in this Order is subject to the following conditions:
 - a) Produced salt water, including flowback fluids, shall be injected only into the Cadomin formation through the well CNRL Septimus G05-23-81-19 (WA# 26299).
 - b) The disposal/injection pressure at the wellhead must not exceed 17,300 kPa.
 - c) A record of volume 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.



Richard Slocomb, P.Eng
Deputy Commissioner
Oil and Gas Commission

DATED AT the City of Victoria, in the Province of British Columbia, this 18th day of July 2012.