Oil and Gas Commission

December 17, 1998

600-2600-59240-06 OGC980921

Mr. Larry Galea P.Eng. Exploitation Engineer Canadian Natural Resources Ltd. 2000, 425 - 1st Street SW Calgary, AB T2P 3L8

CNRL Project (03)

Dear Mr. Galea:

RE: GOOD ENGINEERING PRACTICE APPROVAL BEATTON RIVER WEST - BLUESKY "A" POOL

Attached is a Good Engineering Project (GEP) scheme approval for the subject pool as requested in your application of December 11, 1998.

The Approval 98-06-008 is hereby granted under Part 8, Division 6, section 101 of the British Columbia Drilling and Production Regulation.

The effective date of the approval shall be November 1, 1997, in order to address the current oil overproduction. As the majority of produced gas from the project wells is being used as lease fuel, conservation of gas is not presently required, but may become a condition of approval should gas rates increase significantly.

Yours sincerely,

B. van Oort
Director

Engineering and Geology Branch

Attachment

Approval Letters to Industry
GEP, SWD, CONCURRENT PROD,
PRESSURE MAINTENANCE,
WATERFLOOD, ETC.
Copy
Wellfile (originals)
59240
Daily
Resource Revenue
R. Stefik
G. Farr
Email
D. Krezanowski
S. Chicorelli

APPROVAL 98-06-008

PETROLEUM AND NATURAL GAS ACT DRILLING AND PRODUCTION REGULATION OIL AND GAS COMMISSION

IN THE MATTER of a Good Engineering Practice (GEP) project of Canadian Natural Resources Ltd. (CNRL) for producing the Beatton River West Bluesky "A" oil pool without spacing and target restrictions and with a project oil allowable.

NOW, THEREFORE, the Commission, pursuant to Part 8, Division 6, section 101 of the *Drilling and Production Regulation*, hereby approves a GEP project of CNRL for operating oil wells without spacing and target restrictions under a project allowable, as such scheme is described in:

an Application from CNRL to the Division dated December 9 and 11 and related submission.

This project is approved, subject to the conditions herein contained and in particular:

- 1. The area of the project shall consist of units 67, 68, 77 and 78 of Block K/94-H-2.
- 2. The project daily oil allowable, being the sum of the individual well allowables, is 40.0 m³.
- 3. The requirements of section 9 of the *Drilling and Production Regulation* are hereby waived, provided that oil wells within the scheme area are not completed nearer than 100 m to the sides of the approved area.
- 4. This approval may be modified or rescinded at a later date if deemed appropriate.

B. van Oort Director

Engineering and Geology Branch

DATED AT the City of Victoria, in the Province of British Columbia, this // day of December, 1998.