



February 26, 2016

4600-7400-32640-02

Mr. Florin Hategan, P. Eng
Canadian Natural Resources Ltd.
Suite 2500, 855 – 2nd Street S.W.
Calgary, AB T2P 4J8

Dear Mr. Hategan:

**RE: WATER INJECTION WELLS
CNRL HALFWAY 09-11-087-25W6M; WA# 6938
CNRL HALFWAY 01-11-087-25W6M; WA# 12056
HALFWAY FIELD - DEBOLT "A" POOL**

The subject wells were approved for waterflood injection into the Debolt "A" oil pool in June 2000. Production from this pool ceased in February 2002. In December 2015, a Commission review of injection wells revealed the non-production pool status, as well as high pool pressure and potential contribution to induced seismicity. In a letter dated December 23, 2015, the Commission required injection operations at the subject wells cease by February 26, 2016.

CNRL has requested a two week extension to the deadline in order to recomplete and test the Baldonnell and Cadomin formations in the well CNRL Halfway 1-11-87-25 (WA 12056), as a potential alternate disposal location. The Commission agrees the suggest formations may be suitable for disposal purposes.

A two week extension, to March 11th, 2016, is approved with the condition that injection rate and pressure not exceed well average values of the last 3 months (not increase). This approval does not guarantee approval of the alternate well for disposal operations, or an application & approval process that would allow operation by this date.

Should you have any questions, please contact Michelle Gaucher at (250) 419-4482 or the undersigned at (250) 419-4430.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron Stefik', written over a horizontal line.

Ron Stefik, EngL
Supervisor, Reservoir Engineering
Oil and Gas Commission