8100-4900-32640-02



April 17, 2020

Desmond Jones Canadian Natural Resources Limited 2500, 855 – 2nd St. S.W. Calgary, AB T2P 4J8

Dear Mr. Jones:

RE: PRODUCED WATER DISPOSAL SPECIAL PROJECT APPROVAL LIMITED DISPOSAL APPROVAL CNRL HZ W STODDART 7-21-87-21 W6M; WA# 10743 STODDART WEST FIELD – DOIG "E" POOL

On March 5^{th,} 2020 Commission and Canadian Natural Resources Limited (CNRL) staff noted abnormal pressure buildup in the casing-tubing annulus of the subject well. A loss of hydraulic isolation was suspected and disposal operations were immediately halted, as per the requirement of the disposal approval order. CNRL have performed multiple tests to attempt to establish the source of the casing pressure and determine whether there is casing-tubing communication. Results have thus far been inconclusive. On April 16th, 2020, CNRL requested permission to recommence limited disposal operations to facilitate continued investigation, as the source of the casing pressure may be determinable while the well is operating.

The Commission concurs and approves a disposal volume into the subject well not to exceed 5,000 m³, commencing from the date of this letter. CNRL must report findings from their investigation to the Commission. Conditions and requirements described in the original approval, Order 17-02-002, granted April 3, 2017, still apply. Continued disposal in excess of this 5,000 m³ limit may not occur until hydraulic isolation can be confirmed and written permission is given by the Commission.

Should you have any questions, please contact Logan Gray at (250) 419-4465 or the undersigned at (250) 419-4430.

Sincerely,

Ron Stefik, Eng.L. Supervisor, Reservoir Engineering Oil and Gas Commission