

Province of British Columbia Ministry of Energy, Min Petroleum

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April 8, 1992

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760-4800-59240-06

Mr. Steve Laut, P.Eng. Senior Reservoir Engineer Canadian Natural Resources Limited 1710, 300 - 5th Avenue S.W. Calgary, Alberta T2P 3C4

CNRL Project (03)

Dear Mr. Laut:

RE: APPLICATION FOR GOOD ENGINEERING PRACTICE BEAVERTAIL HALFWAY "B" POOL

This is with respect to your application of February 7, 1992, and subsequent correspondence requesting approval to produce concurrently oil and gas under a Good Engineering Practice (GEP) scheme from the subject pool.

We concur with your geological mapping and engineering analysis of the pool. The primary purpose of this application is to allow operational flexibility so that production from high deliverability oil wells can be optimized. Additionally, all produced gas from the project will be conserved. There are no equity concerns as the land covering this pool is controlled by Canadian Natural Resources Limited. The Branch agrees that operational flexibility offered to you by this approval will enhance conservation objectives.

Attached is Approval #92-06-003 for the application granted under Part 8, Division 6, section 104 of the British Columbia Drilling and Production Regulation.

This approval may be modified or rescinded at a later date if deemed appropriate through a change in circumstances.

Your sincerely,

B.E. Hanwell

Director

Engineering and Operations Branch

PSA/mef

Mr. D.L. Johnson

Manager, Field Office

Fort St. John

APPROVAL 92-06-003

THE PROVINCE OF BRITISH COLUMBIA
PETROLEUM AND NATURAL GAS ACT
DRILLING AND PRODUCTION REGULATION
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
ENERGY RESOURCES DIVISION

IN THE MATTER of a Good Engineering Practice (GEP) scheme of Canadian Natural Resources Limited (CNRL) for producing Beavertail Halfway "B" Pool oil wells with project allowables.

Now therefore the Division Head, pursuant to Part 8, Division 6, section 104 of the Drilling and Production Regulation, hereby approves the GEP scheme of CNRL for concurrent oil and gas production with project allowables, as such scheme is described in

(a) Application from CNRL to the Division dated February 7, 1992 and related submission.

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

- 1. The area of the project shall consist of units 69, 79 and 80 Block A/94-A-15.
- 2. The project oil allowable, being the sum of individual well allowables, is $30 \text{ m}^3/\text{d}$.
- 3. Gas production from the project will be limited to $20 \text{ E}^3\text{m}^3/\text{d}$.
- 4. All gas production will be conserved.

Peter Ostergaard

Assistant Deputy Minister Energy Resources Division

Dated at the City of Victoria, in the Province of British Columbia, this day of April, 1992.