

February 11, 2020

3260-4800-59240-09

Brittany Jorgensen, P.Eng. Exploitation Engineer Canadian Natural Resources Limited 2500, 855 – 2nd St SW Calgary, AB T2P 4J8

Dear Ms. Jorgensen:

RE:

PRESSURE MAINTENANCE WATERFLOOD

SPECIAL PROJECT CANCELLATION

CRUSH FIELD. – HALFWAY 'A' POOL UNIT #1

The waterflood project in the Crush field, Halfway 'A' pool, Unit #1, was approved on September 11, 1970. Commission records for the project indicate that production from the wells in the pool and unit ceased in January 2002 and that water injection ceased in December 1989. On November 29, 2019, the Commission notified Canadian Natural Resources Limited of our intention to cancel the special project approval unless a valid reason for continuing the project was received by December 31, 2019. No request for continuation of the project has been received by the Commission.

Pursuant to the *Oil and Gas Activities Act (OGAA)* section 75(2)(b), the Commission may cancel, suspend or amend a designation (iii) if the Commission considers that the designation is spent, or (iv) if the Commission considers that the designation is no longer appropriate, including, without limitation, for reasons of (a) public safety, (b) protection of the environment, or (c) conservation of petroleum and natural gas resources.

The Special Project Approval for the Crush field, Halfway "A" Pool, Unit #1, is hereby cancelled under section 75(2)(b)(iii) of OGAA; the Commission considers that the designation is spent.

Please contact Kathryn Archibald at (250) 419-4406 or the undersigned at (250) 419-4430 should you have any questions.

Sincerely,

Ron Stefik, Engl

Supervisor, Reservoir Engineering

Oil and Gas Commission