



DIVISION OF
CORPORATION FINANCE
MAIL STOP 7010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

July 10, 2007

Mr. Douglas A. Proll
Chief Financial Officer
Canadian Natural Resources Limited
2500, 855-2nd Street S.W.,
Calgary, Alberta, Canada T2P 4J8

**Re: Canadian Natural Resources Limited
Form 40-F for the Fiscal Year Ended December 31, 2006
Filed March 30, 2007
Response Letter Dated June 21, 2007
File No. 333-12138**

Dear Mr. Proll:

We have reviewed your response and have the following comments. We have limited our review of your filing to those issues we have addressed in our comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Form 40-F for the Fiscal Year Ended December 31, 2006

Financial Statements

Note 1 – Accounting Policies

(D) Property, Plant and Equipment

1. We note your response to our prior comment number two. It remains unclear why you have not provided accounting policy disclosures regarding your Horizon Project. Please expand your accounting policy disclosure to address the following:
 - Provide disclosure that indicates your bitumen reserves for the currently approved phases will be extracted using mining techniques.
 - As it appears you have acquired a mineral property rather than an oil and gas property, provide an accounting policy disclosure that states your accounting for and subsequent impairment testing of acquired mineral properties.
 - It appears from your response you acquired proven and probable reserves at the time of the acquisition. Please tell us and disclose your accounting for additional drilling and related costs incurred to locate additional mineral resources and/or the costs incurred to convert measured, indicated and inferred resources to reserves. Please contact us to discuss.
 - As it appears you are incurring development costs, it remains unclear why you have not established or provided disclosure of your accounting policy regarding the capitalization and amortization of such costs. Please expand your accounting policy disclosure accordingly.
 - Please tell us if your development activities thus far include any overburden removal costs. If true, provide the previously requested accounting policy disclosures related to your accounting for pre- and post-production stripping.

Closing Comments

As appropriate, please amend your filing and respond to these comments within 10 business days or tell us when you will provide us with a response. You may wish to

Mr. Douglas A. Proll
Canadian Natural Resources Limited
July 10, 2007
page 3

provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

You may contact Kevin Stertzel at (202) 551-3723, or Kimberly Calder at (202) 551-3701 if you have questions regarding comments on the financial statements and related matters. Please contact me at (202) 551-3683 with any other questions.

Sincerely,

Jill S. Davis
Branch Chief