Bulletin 2015-22

July 7, 2015

Relief from Control Well Requirements for Horseshoe Canyon and Belly River Coalbed Methane Development

In July 2014, the Alberta Energy Regulator (AER) issued *Bulletin 2014-21: Control Well Requirements for Horseshoe Canyon and Belly River Coalbed Methane Development* announcing relief from certain coalbed methane (CBM) control well requirements while it examined the requirements in sections 7.025 and 11.145 of the *Oil and Gas Conservation Rules* (*OGCR)* with respect to designated pressure and flow control wells for Horseshoe Canyon and Belly River coals. Although the AER has not completed its evaluation of these requirements, the AER has sufficient understanding of CBM development in these coals to support the same relief for the 2015 and 2016 calendar years. This means that for calendar years 2015 and 2016, the AER grants relief from

- the annual flow meter logging requirement in section 11.145(1)(b) of the *OGCR* for Horseshoe Canyon and Belly River CBM pressure and flow control wells, and
- the control well requirements in section 7.025(1) of the *OGCR* for the Taber and MacKay coals of the Belly River Group.

In addition to the above and until the AER formally revises its control well requirements, licensees may submit applications to rescind specific control wells to reduce the density of control well coverage. These applications should be submitted through the AER's Electronic Application Submission system in accordance with *Directive 062: Coalbed Methane Control Well Requirements and Related Matters*. The application must not be for an area greater than nine townships. The application must demonstrate for each township that one or more AER-designated control wells will remain for all the validated zones within that township. The remaining pressure and flow control wells should be evenly spaced, and the AER will take this into consideration in its review of the application.

Other Testing Requirements

The AER continues to require

- initial and end-of-life pressure tests on all CBM pressure and flow control wells as per *Bulletin 2011-36: Change to Pressure Testing Requirements for Coalbed Methane Pressure and Flow Control Wells*. These tests are needed to establish drainage areas and ultimate CBM

recovery in order to characterize the end-of-life gas content of the coals across the entire CBM development area; and

- that designated CBM pressure and flow control wells be completed only in coals and not in any sands or other lithologies as per *Directive 062*. Production from multiple coal seams in a control well may continue to be commingled in the wellbore.

For more information, e-mail resources.applications@aer.ca or call the help line at 403-476-4967.

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