



## Real Resources Inc.

Review of Licence No. 032274  
Application to Amend Licence No. 032274  
Ferrybank Field

September 29, 2005

**ALBERTA ENERGY AND UTILITIES BOARD**

Decision 2005-107: Real Resources Inc., Review of Licence No. 032274,  
Application to Amend Licence No. 032274, Ferrybank Field

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# ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

**REAL RESOURCES INC.**

**REVIEW OF LICENCE NO. 032274**

**APPLICATION TO AMEND LICENCE NO. 032274**

**FERRYBANK FIELD**

**Decision 2005-107**

**Proceeding No. 1414122**

**Application No. 1393846**

## 1 DECISION

Having completed a review of the application and having noted the receipt of a confirmation of non-objection from the affected party, the Alberta Energy and Utilities Board (EUB/Board) cancelled Proceeding No. 1414122 and approved Application No. 1393846.

## 2 INTRODUCTION

### 2.1 Proceeding No. 1414122

On September 17, 2004, the Board approved Application No. 1360399 and issued Facility Licence No. 032274 to Real Resources Inc. (Real). The licence permitted Real to construct and operate a 313.19 kilowatt (kW) compressor station at Legal Subdivision (LSD) 10, Section 18, Township 43, Range 27, West of the 4th Meridian.

On September 12 and December 6, 2004, March 11, 2005, and April 13, 2005, the EUB received letters from George and Donna Atsma (the Atsmas) and Greg Hoar and Donna Davies (Hoar and Davies) requesting that the Board conduct a review hearing relating to Facility Licence No. 032274, pursuant to Section 39 of the *Energy Resources Conservation Act*. The Board considered the request for review along with response submissions from Real and concluded that the new evidence presented by the Atsmas raised a substantial question as to the correctness of the original Board decision to issue the original licence.

Accordingly on June 3, 2005, the Board informed the parties that it was prepared to grant a hearing to consider the review request. The Board registered the review hearing as Proceeding No. 1414122. The purpose of the review hearing was to determine whether the Board should confirm, vary, or rescind its decision to grant Facility Licence No. 032274.

### 2.2 Application No. 1393846

Real had applied, pursuant to Section 7.001 of the *Oil and Gas Conservation Regulations*, for approval to amend Facility Licence No. 032274. The licence amendment would include replacing the existing 313.19 kW compressor located at LSD 10-18-43-27W4M with a 549.6 kW compressor with inlet rates of 128.6 thousand cubic metres per day ( $10^3 \text{ m}^3/\text{d}$ ) of gas,  $0.5 \text{ m}^3/\text{d}$  oil/condensate, and 0.00 moles per kilomole of hydrogen sulphide. Other equipment on site would remain the same. The purpose of the additional compression would be to facilitate additional area production. The proposed amendment application would be for a facility 21 kilometres (km) west of Ponoka.

The Board received objections to the proposed expansion, again from the Atsmas and Hoar and Davies, in letters dated March 11 and April 13, 2005. The Board was satisfied that the Atsmas were potentially directly and adversely affected parties and granted a hearing to consider whether the proposed expansion could be approved as being in the public interest.

### **2.3 Interveners**

The Atsmas are acreage owners whose residence is about 771 m northeast of the existing compressor station located at LSD 10-18-43-27W4M. Hoar and Davies own the southeast quarter of Section 20-43-27W4M and the northeast quarter of Section 17-43-27W4M. Their residence is located in the southeast quarter of Section 20, about 2 km northeast of the existing compressor station.

## **3 DISCUSSION**

The Board was scheduled to hold a public hearing in Ponoka, Alberta on September 15, 2005, before Board Member T. M. McGee (Presiding Member) and Acting Board Members D. K. Boyler, P.Eng., and W. G. Remmer, P.Eng.

The Atsmas and Hoar and Davies used the EUB's Appropriate Dispute Resolution program in the form of an EUB staff facilitated meeting held on September 6, 2005. The facilitation resulted in the Atsmas withdrawing their review request of Facility Licence No. 032274 and their objection to Real's application to amend Facility Licence No. 032274.

Upon receipt of the withdrawals from the Atsmas, the Board determined that it would be able to conclude both proceedings without an oral process. Accordingly, on Sept 7, 2005, the Board issued a notice of cancellation of the scheduled hearing.

In reviewing the remaining objections and review requests from Hoar and Davies, the Board was satisfied that neither Mr. Hoar nor Ms. Davies had shown themselves to be directly or adversely affected by the existing facility or the proposed expansion given the distance from their residence to the facility. As such, the Board denied their review request of the original licence, dismissed their objection to the amendment application, and issued the newly amended licence.

Dated in Calgary, Alberta, on September 29, 2005.

### **ALBERTA ENERGY AND UTILITIES BOARD**

*(Original signed by)*

T. M. McGee  
Presiding Member

*(Original signed by)*

D. K. Boyler, P.Eng.  
Board Member

*(Original signed by)*

W. G. Remmer, P.Eng.  
Board Member