



White Fire Energy Ltd.

Application for a Well Licence
Pembina Field

June 13, 2006

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2006-053: White Fire Energy Ltd., Application for a Well Licence, Pembina Field

June 13, 2006

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**WHITE FIRE ENERGY LTD.
APPLICATION FOR A WELL LICENCE
PEMBINA FIELD**

**Decision 2006-053
Application No. 1430630**

1 DECISION

Having completed a review of the application, the Alberta Energy and Utilities Board (EUB/Board) hereby approves Application No. 1430630.

2 INTRODUCTION

2.1 Applications, Interventions, and Hearing

White Fire Energy Ltd. (White Fire) applied, pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a level-3 critical sour well from a surface location of Legal Subdivision (LSD) 9, Section 16, Township 48, Range 9, West of the 5th Meridian. The maximum hydrogen sulphide (H₂S) concentration expected to be encountered in the drilling of this well is 200.3 moles per kilomole (20.03 per cent). The cumulative H₂S release rate for the drilling and completion phases of the well has been established by the EUB as 5.00 cubic metres per second, with a corresponding emergency planning zone of 6.87 kilometres (km). The purpose of the well is to obtain crude oil production from the Nisku Formation. The proposed well will be about 5.7 km northeast of the Hamlet of Lodgepole.

The EUB received objections to the applications from a number of area residents. After carefully reviewing the submissions, the Board determined that there were parties that might be directly and adversely affected by the approval of the application and determined that a hearing would be necessary to determine the disposition of the White Fire application.

The Board was scheduled to hold a public hearing in Lodgepole, Alberta, on June 6, 2006, before Board Member J. R. Nichol, P.Eng. (Presiding Board Member) and Acting Board Members F. Rahnama, Ph.D., and C. A. Langlo, P.Geol.

3 DISCUSSION

Following further discussions between White Fire and the parties, the Board cancelled the hearing because the parties granted standing and who had filed submissions withdrew their objections.

Dated in Calgary, Alberta, on June 13, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

J. R. Nichol, P.Eng.
Presiding Board Member

<original signed by>

F. Rahnama, Ph.D.
Acting Board Member

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C. A. Langlo, P.Geol.
Acting Board Member