



Glencoe Resources Ltd.

Application for Compulsory Pooling
Chigwell Field

November 6, 2007

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2007-085: Glencoe Resources Ltd. Application for Compulsory Pooling,
Chigwell Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

GLENCOE RESOURCES LTD.

APPLICATION FOR A COMPULSORY POOLING ORDER

CHIGWELL FIELD

Decision 2007-085

Application No. 1515676

DECISION

The Alberta Energy and Utilities Board (EUB/Board) has considered the findings and recommendations set out in the following examiner report and adopts the recommendations.

Dated in Calgary, Alberta, on November 5, 2007.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

William A. Tilleman Q.C., J.S.D.

Chairman

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING GLENCOE RESOURCES LTD. APPLICATION FOR COMPULSORY POOLING CHIGWELL FIELD

Decision 2007-085
Application No. 1515676

1 RECOMMENDATION

The examiners recommend that the hearing scheduled to consider Application No. 1515676 be cancelled and that the request to withdraw the application be approved, in accordance with Section 20 of the *Alberta Energy and Utilities Board Rules of Practice*.

2 INTRODUCTION

2.1 Application

Glencoe Resources Ltd. (Glencoe) applied to the Alberta Energy and Utilities Board (EUB/Board), pursuant to Section 80(1) of the *Oil and Gas Conservation Act*, for an order prescribing that all tracts within the drilling spacing unit constituting Section 24 of Township 41, Range 25, West of the 4th Meridian (Section 24) be operated as a unit for the production of gas from all zones from surface to the base of the Edmonton Group, initially through two wells to be drilled in Legal Subdivisions 8 and 9 of the section, and up to a maximum of four wells per pool from the section. Glencoe is the lessee of rights to the zones from the surface to the base of the Belly River Group in the east half of Section 24. Glencoe applied for a pooling order because it was unable to reach a voluntary pooling agreement with the lessee of the west half of the section.

2.2 Intervention

Advantage Oil & Gas Ltd. (Advantage), the mineral lessee of the west half of Section 24, objected to Glencoe's request to drill the proposed two wells at the same time in Section 24. Advantage preferred to evaluate the results from the first well before a second well was drilled.

2.3 Hearing

The application was scheduled to be considered at a public hearing in Calgary, Alberta, commencing November 1, 2007, before Board-appointed examiners M. P. Vandenberg, C.E.T., B. C. Hubbard, P.Eng., and T. Dibus, P.Geol.

3 DISCUSSION

The EUB issued the Notice of Hearing for the subject application on September 12, 2007. Subsequent to the issuance of the notice, Glencoe and Advantage resolved the matter such that Glencoe no longer required the compulsory pooling order. Accordingly, by letter to the EUB dated October 1, 2007, Glencoe requested to withdraw its application.

4 EXAMINERS' VIEWS

The examiners note that Glencoe has requested to withdraw its application for a compulsory pooling order. The examiners are satisfied that there is no need for the scheduled hearing. The examiners therefore recommend that the hearing be cancelled and that Glencoe's request to withdraw its application be approved.

Dated in Calgary, Alberta, on November 1, 2007.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

M. P. Vandenberg, C.E.T.
Presiding Member

<original signed by>

B. C. Hubbard, P.Eng.
Examiner

<original signed by>

T. Dibus, P.Geol.
Examiner