



Apache Canada Ltd.

Applications for a Well Licence and a Pipeline Licence
Bashaw Field

January 22, 2008

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2008-004: Apache Canada Ltd., Applications for a Well Licence and a Pipeline Licence,
Bashaw Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

APACHE CANADA LTD. APPLICATIONS FOR A WELL LICENCE AND A PIPELINE LICENCE BASHAW FIELD

Decision 2008-004
Applications 1486523 and 1498999

1 DECISION

Having completed a review of the applications, the Alberta Energy and Utilities Board (EUB/Board) hereby approves Applications 1486523 and 1498999.

2 INTRODUCTION

2.1 Applications

Apache Canada Ltd. (Apache) applied to the EUB, pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a vertical well from a surface location in Legal Subdivision (LSD) 9, Section 6, Township 43, Range 22, West of the 4th Meridian. No hydrogen sulphide (H₂S) is expected to be encountered in the drilling of this well. The purpose of the well is to obtain coalbed methane production from the Edmonton Group.

Apache also applied, pursuant to Part 4 of the *Pipeline Act*, for approval to construct and operate a pipeline from the proposed well at LSD 9-6-43-22W4M to an existing pipeline tie-in at LSD 11-6-43-22W4M. The proposed pipeline would transport natural gas containing no H₂S. It would be about 970 metres in length, with a maximum outside diameter of 114.3 millimetres.

2.2 Intervention

Stan Boman is the owner of the northeast quarter of Section 6-43-22W4M, where the well and pipeline would be located. Mr. Boman filed an intervention stating various concerns in regard to the subject applications.

2.3 Hearing

The Board was scheduled to hold a public hearing in Ponoka, Alberta, on November 5, 2007, before Acting Board Members E. A. Shirley, P.Geol. (Presiding Member) and R. J. Willard, P.Eng., and Board Member C. Dahl Rees, LL.B.

3 DISCUSSION

Apache engaged in third-party appropriate dispute resolution with Mr. Boman on November 14, 2007. The meeting resulted in an agreement between the parties, and on November 16, 2007, a signed withdrawal of objection was received by the EUB. The EUB has completed its review of the applications and is satisfied that they meet all applicable regulatory requirements. The Board therefore recommends that the necessary approvals be issued in due course.

Dated in Calgary, Alberta, on January 22, 2008.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

E. A. Shirley, P.Geol.
Presiding Member

<original signed by>

R. J. Willard, P.Eng.
Acting Board Member

<original signed by>

C. Dahl Rees, LL.B.
Board Member