



Marble Point Energy Ltd.

Application for Special Gas Well Spacing
Kakut Field

May 27, 2008

ENERGY RESOURCES CONSERVATION BOARD

Decision 2008-041: Marble Point Energy Ltd., Application for Special Gas Well Spacing,
Kakut Field

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Energy Resources Conservation Board
640 – 5 Avenue SW
Calgary, Alberta
T2P 3G4

Telephone: 403-297-8311
Fax: 403-297-7040
E-mail: Publications@ercb.ca
Web site: www.ercb.ca

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**MARBLE POINT ENERGY LTD.
APPLICATION FOR SPECIAL GAS WELL SPACING
KAKUT FIELD**

**Decision 2008-041
Application No. 1561386**

DECISION

The Energy Resources Conservation Board has considered the findings and recommendations set out in the following examiner report, adopts the recommendations, and directs that Application No. 1561386 be approved.

Dated in Calgary, Alberta, on May 26, 2008.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

Dan McFadyen
ERCB Chairman

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING MARBLE POINT ENERGY LTD. APPLICATION FOR SPECIAL GAS WELL SPACING KAKUT FIELD

Decision 2008-041
Application No. 1561386

1 RECOMMENDATIONS

The examiner panel recommends that a hearing not be scheduled to consider this matter as the objection to the application has been withdrawn and that Application No. 1561386 be approved.

2 INTRODUCTION

2.1 Application

Fekete Associates Inc., on behalf of Marble Point Energy Ltd. (Marble Point), applied to the Energy Resources Conservation Board (ERCB/Board), pursuant to Section 79, Subsection 4, of the *Oil and Gas Conservation Act* and Section 5.190 of the *Oil and Gas Conservation Regulations*, for the suspension of the drilling spacing units and target area provisions and the establishment of a holding for the production of gas from the Banff Formation in Sections 15 and 22 of Township 75, Range 1, West of the 6th Meridian. The applicant proposed that within the holding, a maximum of two wells per pool per section would be produced and that a producing well would be a minimum of 400 metres (m) from any other well producing from the same pool and a minimum of 300 m from the south and west boundaries of the holding.

2.2 Intervention

Canadian Natural Resources Ltd. (CNRL), an adjacent mineral owner, objected to the application, submitting that the existing wells in the Kakut Banff A and C pools have drained or would drain a full spacing unit. CNRL also maintained that the permeability in the pool was high and that the reservoir quality was good enough to expect that single-well spacing would adequately recover the recoverable gas in place.

2.3 Hearing

A Notice of Hearing was not issued as a resolution was reached prior to a hearing date being set. The application was to be considered at a public hearing before Board-appointed examiners M. P. Vandenberg, C.E.T. (Presiding Member), T. A. Dibus, P.Geol., and K. Fisher.

3 DISCUSSION

Following a number of technical discussions, Marble Point alleviated all of CNRL's concerns respecting the requested special well spacing. CNRL subsequently withdrew its objection to the application by letter to the ERCB dated April 29, 2008.

As there are no outstanding objections to the application, the examiners recommend that a hearing not be scheduled and that Application No. 1561386 be approved.

Dated in Calgary, Alberta, on May 26, 2008.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

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

<original signed by>

T. A. Dibus, P.Geol.
Examiner

<original signed by>

K. Fisher
Examiner