

Burlington Resources Canada (Hunter) Ltd.

Application for Well Licence Peacock Field

August 5, 2008

ENERGY RESOURCES CONSERVATION BOARD

Decision 2008-066: Burlington Resources Canada (Hunter) Ltd., Application for a Well Licence, Peacock Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

BURLINGTON RESOURCES CANADA (HUNTER) LTD. APPLICATION FOR A WELL LICENCE PEACOCK FIELD

Decision 2008-066 Application No. 1515707

1 DECISION

Having completed a review of the application, the Energy Resources Conservation Board (ERCB/Board) hereby approves Application No. 1515707.

2 INTRODUCTION

2.1 Application

Burlington Resources Canada (Hunter) Ltd. (Burlington) applied to the ERCB pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations* for a licence to drill a directional well from a surface location at Legal Subdivision (LSD) 15, Section 2, Township 14, Range 26, West of the 4th Meridian, to a projected bottomhole location at LSD 6-11-14-26W4M. The maximum hydrogen sulphide concentration expected to be encountered in the drilling of the well is 0.00 moles per kilomole (0.0 per cent). The purpose of the well is to obtain natural gas production from the Glauconitic Formation.

The proposed development would be located about 13 kilometres east of the Town of Stavely.

2.2 Intervention

Anita Sorgard and Ted Sorgard (the Sorgards) objected to the application. At the time their objections were filed, the Sorgards owned the southwest quarter of Section 11-14-26W4M, on which the well was proposed to be located. The Sorgards raised concerns regarding personal health and safety, medical conditions, right to the enjoyment of and pursuit of livelihood on their property, and lack of information and consultation.

3 DISCUSSION

The Board was scheduled to hold a public hearing in Claresholm, Alberta, on March 11, 2008, before Board Member M. J. Bruni, Q.C. (Presiding Member) and Acting Board Members R. C. Clark and J. G. Gilmour, LL.B. On February 14, 2008, the Board received a joint adjournment request from Burlington and the Sorgards to allow the parties additional time to address the Sorgards' concerns. The Board granted an adjournment on February 20, 2008.

The Board received a request from Burlington on May 20, 2008, to discontinue the hearing adjournment and cancel the hearing, as the Sorgards did not have standing in the hearing of the application because they no longer owned the land adjacent to the area on which Burlington

proposed to drill its well. The Sorgards provided their comments on Burlington's request to the Board on June 9, 2008.

On July 3, 2008, after considering the correspondence from the Sorgards and Burlington, the Board determined that the Sorgards had not established that they had legal rights that may be directly and adversely affected by the Board's decision on Burlington's application and the Board dismissed the Sorgard's objection to the application.

In light of the above and given there are no other intervening parties, the Board has cancelled the hearing and directs that the application for a well licence be approved. The Board issued a Notice of Cancellation of Hearing on July 23, 2008.

Dated in Calgary, Alberta, on August 5, 2008.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

M. J. Bruni, Q.C. Presiding Member

<original signed by>

R. C. Clark Acting Board Member

<original signed by>

J. G. Gilmour, LL.B. Acting Board Member