



# Crew Energy Inc.

Applications for a Well Licence and a Pipeline Licence  
Strachan Field

August 12, 2008

**ENERGY RESOURCES CONSERVATION BOARD**

Decision 2008-068: Crew Energy Inc., Applications for a Well Licence and a Pipeline Licence,  
Strachan Field

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# ENERGY RESOURCES CONSERVATION BOARD

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Calgary Alberta

**CREW ENERGY INC.  
APPLICATIONS FOR A WELL LICENCE  
AND A PIPELINE LICENCE  
STRACHAN FIELD**

**Decision 2008-068  
Applications No. 1524978 and 1555535**

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## 1 DECISION

Having received Applications No. 1524978 and 1555535, noting that they meet Energy Resources Conservation Board (ERCB/Board) requirements, and noting the receipt of a confirmation of nonobjection from the sole intervening party, the Board hereby approves Applications No. 1524978 and 1555535.

## 2 INTRODUCTION

### 2.1 Applications

#### **Application No. 1524978**

Crew Energy Inc. (Crew) applied, pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a well from a surface location in Legal Subdivision (LSD) 15 of Section 28, Township 37, Range 8, West of the 5th Meridian, to a projected bottomhole location in LSD 15-28-37-8W5M. The maximum hydrogen sulphide (H<sub>2</sub>S) concentration expected to be encountered in the drilling of the well would be about 99.5 moles per kilomole (mol/kmol) (9.95 per cent), and the cumulative drilling, completion/servicing, and suspended/producing H<sub>2</sub>S release rates would be 1.079 cubic metres per second, with a corresponding emergency planning zone (EPZ) of 2.42 kilometres (km). The purpose of the well would be to obtain gas production from the Leduc Formation.

#### **Application No. 1555535**

Crew applied, pursuant to Part 4 of the *Pipeline Act*, for approval to construct and operate two pipelines. The purpose of the first pipeline would be to transport natural gas from the proposed well at LSD 15-28-37-8W5M to a pipeline tie-in point at LSD 7-33-37-8 W5M. The pipeline would be about 0.95 km in length, with a maximum outside diameter of 114.3 millimetres (mm), and would transport natural gas with a maximum H<sub>2</sub>S concentration of 100 mol/kmol (10.0 per cent), with an associated EPZ of 0.45 km.

The second pipeline would transport fuel gas from the pipeline tie-in point at LSD 7-33-37-8W5M to the proposed well located at LSD 15-28-37-8W5M. The pipeline would be about 0.95 km in length, with a maximum outside diameter of 60.3 mm, and would have an H<sub>2</sub>S concentration of 0.0 mol/kmol (0.0 per cent).

The proposed well and pipelines would be located about 18.7 km southwest of Rocky Mountain House.

## **2.2 Intervention**

James T. Mah Ming, owner of lands within the EPZ for the proposed well, filed an objection to the subject applications, dated October 30, 2007. The concerns raised included effects on property value, animal (including livestock, wildlife, and fish) health and safety, air quality, water quality, and the safety of the large group of people at a residence on his land.

## **2.3 Hearing**

The Board was scheduled to hold a public hearing in Rocky Mountain House, Alberta, on August 26, 2008, before Board Member G. J. Miller (Presiding Member) and Acting Board Members F. Rahnama, Ph.D., and J. G. Gilmour, LL.B.

## **3 DISCUSSION**

Crew Energy engaged in consultation with Mr. Mah Ming, resulting in an agreement between the parties. On July 16, 2008, a signed withdrawal of objection was received by the ERCB. Accordingly, the Board cancelled the hearing scheduled to consider Applications No. 1524978 and 1555535.

Dated in Calgary, Alberta, on August 12, 2008.

## **ENERGY RESOURCES CONSERVATION BOARD**

G. J. Miller  
Presiding Member

F. Rahnama, Ph.D.  
Acting Board Member

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