



Sword Energy Inc.

Applications for a Pipeline Licence and a Well Licence
Mellowdale Field

June 30, 2009

ENERGY RESOURCES CONSERVATION BOARD

Decision 2009-040: Sword Energy Inc., Applications for a Pipeline Licence and a Well Licence,
Mellowdale Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**SWORD ENERGY INC.
APPLICATIONS FOR A PIPELINE LICENCE
AND A WELL LICENCE
MELLOWDALE FIELD**

**Decision 2009-040
Applications No. 1576227 and 1578104**

DECISION

The Energy Resources Conservation Board has considered the findings and recommendation set out in the following examiner report, adopts the recommendation, and directs that Applications No. 1576227 and 1578104 be withdrawn.

Dated in Calgary, Alberta, on June 29, 2009.

ENERGY RESOURCES CONSERVATION BOARD

Dan McFadyen
Chairman

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**EXAMINER REPORT RESPECTING
SWORD ENERGY INC.
APPLICATIONS FOR A PIPELINE LICENCE
AND A WELL LICENCE
MELLOWDALE FIELD**

**Decision 2009-040
Applications No. 1576227 and 1578104**

1 RECOMMENDATION

Having considered the request to withdraw Applications No. 1576227 and 1578104 made by Sword Energy Inc. (Sword), the examiner panel recommends that the Energy Resources Conservation Board (ERCB/Board) accept the withdrawal of the applications and cancel the hearing scheduled to consider them.

2 INTRODUCTION

2.1 Applications

Application No. 1576227

Sword applied to the ERCB, in accordance with Part 4 of the *Pipeline Act*, for approval to construct and operate a pipeline for the purpose of transporting natural gas from Legal Subdivision (LSD) 16 of Section 6, Township 61, Range 3, West of the 5th Meridian, to a pipeline tie-in point at LSD 5-5-61-3W5M. The proposed pipeline would be about 1.09 kilometres (km) in length, with a maximum outside diameter of 88.9 millimetres (mm), and would transport natural gas containing no hydrogen sulphide (H₂S). The proposed pipeline would be operated as a level-1 pipeline.

Application No. 1578104

Sword applied to the ERCB, in accordance with Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a vertical well from a surface location in LSD 16-6-61-3W5M. The purpose of the well would be to obtain gas production containing no H₂S from the Mannville and Upper Mannville Formations.

The proposed pipeline and well would be located about 8.2 km south and west of Neerlandia.

2.2 Interventions

Brian Radke and Geraldine Radke own the land where the proposed project would be located. Mr. and Mrs. Radke filed an objection to the subject applications on June 27, 2008.

2.3 Hearing

A notice of hearing was issued on May 28, 2009. The Board was to hold a public hearing in Barrhead, Alberta, on August 18, 2009, before Board-appointed examiners B.A. Austin, P.Geol. (Presiding Member), A. S. Smandych, P.Eng., and D. B. Fairgrieve, P.Geol.

3 DISCUSSION

On June 5, 2009, Sword made a request to the ERCB to withdraw Applications No. 1576227 and 1578104, pursuant to Section 21 of the *Energy Resources Conservation Board Rules of Practice*. The examiner panel recommends that the Board accept the request for withdrawal of the applications and cancel the hearing scheduled to consider it. Sword may reapply for the proposed pipeline and well without prejudice at a later date.

Dated in Calgary, Alberta, on June 25, 2009.

ENERGY RESOURCES CONSERVATION BOARD

B. A. Austin, P.Geol.
Presiding Member

A. Smandych, P.Eng.
Examiner

D. B. Fairgrieve, P.Geol.
Examiner