



## **Culane Energy Corp.**

**Section 40 Review of a Holding for the Killam North Upper  
Mannville N2N Pool in the South Half of  
Section 10-46-12W4M**

**August 25, 2009**

**ENERGY RESOURCES CONSERVATION BOARD**

Decision 2009-053: Culane Energy Corp., Section 40 Review of a Holding for the Killam North Upper Mannville N2N Pool in the South Half of Section 10-46-12W4M

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**ENERGY RESOURCES CONSERVATION BOARD**  
**Calgary Alberta**

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**CULANE ENERGY CORP.**  
**SECTION 40 REVIEW OF A HOLDING FOR THE**  
**KILLAM NORTH UPPER MANNVILLE N2N POOL**  
**IN THE SOUTH HALF OF SECTION 10-46-12W4M**

**Decision 2009-053**  
**Proceeding No. 1610790**

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**DECISION**

The Energy Resources Conservation Board has considered the recommendations set out in the following examiner report, adopts the recommendations, and directs that Proceeding No. 1610790 be closed.

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

**ENERGY RESOURCES CONSERVATION BOARD**

*<Original Signed By>*

B. T. McManus, Q.C.  
Acting Chairman



# **ENERGY RESOURCES CONSERVATION BOARD**

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**Calgary Alberta**

## **EXAMINER REPORT RESPECTING CULANE ENERGY CORP. SECTION 40 REVIEW OF A HOLDING FOR THE KILLAM NORTH UPPER MANNVILLE N2N POOL IN THE SOUTH HALF OF SECTION 10-46-12W4M**

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### **1 RECOMMENDATIONS**

The examiners appointed by the Energy Resources Conservation Board (ERCB/Board) recommend that the Board grant the request by Venturion Natural Resources Limited (Venturion) to withdraw its request for a review of Application No. 1587261 and close Proceeding No. 1610790.

### **2 BACKGROUND**

#### **2.1 Application**

On October 6, 2008, the ERCB granted Application No. 1587261 and issued a spacing disposition to Culane Energy Corp. (Culane) for a holding for the production of oil from the Killam North Upper Mannville N2N Pool in the south half of Section 10, Township 46, Range 12, West of the 4th Meridian. The terms of the holding were eight wells per pool per quarter section and a buffer zone of 50 metres.

On October 8, 2008, the Board received a request from Venturion under Section 40 of the *Energy Resources Conservation Act*, requesting that the Board review its decision on Application No. 1587261 and rescind approval of Culane's holding application. Venturion stated that it was directly and adversely affected by production from the Killam North Upper Mannville Formation in Section 10 and that the holding had been granted without a hearing.

#### **2.2 Proceeding No. 1610790**

On March 24, 2009, the Board granted Venturion's request for a review of the decision on Application No. 1587261 and registered the review as Proceeding No. 1610790. The Board appointed examiners G. W. Dilay, P.Eng. (Presiding Member), H. Longworth, and T. A. Dibus, P.Geol., to consider Venturion's request.

### **3 DISCUSSION**

Prior to a hearing being scheduled, by letter to the Board dated June 17, 2009, Venturion stated that it wished to withdraw its request for a review, as progress was being made towards resolution of the issues between it and Culane. The examiners recommend that the Board grant Venturion's request for withdrawal of a review and close Proceeding No. 1610790.

Dated in Calgary, Alberta, on August 21, 2009.

**ENERGY RESOURCES CONSERVATION BOARD**

G. W. Dilay, P.Eng. <sup>1</sup>  
Presiding Member

*<Original Signed By>*

H. Longworth  
Examiner

*<Original Signed By>*

T. A. Dibus, P.Geol.  
Examiner

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<sup>1</sup> G. W. DILAY is not available to sign however he concurs with the decision.