



ARC Resources Ltd.

Applications for Three Well Licences and a Pipeline
Licence

Mikwan Field

November 3, 2009

ENERGY RESOURCES CONSERVATION BOARD

Decision 2009-063: ARC Resources Ltd., Applications for Three Well Licences and a Pipeline Licence, Mikwan 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: infoservices@ercb.ca
Web site: www.ercb.ca

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**ARC RESOURCES LTD.
APPLICATIONS FOR THREE WELL LICENCES
AND A PIPELINE LICENCE
MIKWAN FIELD**

**Decision 2009-063
Applications No. 1595193, 1595199,
1595202, and 1615467**

1 DECISION

The Board hereby approves Applications No. 1595193, 1595199, 1595202, and 1615467, noting that they meet all Energy Resources Conservation Board (ERCB/Board) requirements and the intervening party has withdrawn its objection.

2 INTRODUCTION

2.1 Applications

Applications No. 1595193, 1595199, and 1595202

ARC Resources Ltd. (ARC) submitted three applications, in accordance with Section 2.020 of the *Oil and Gas Conservation Regulations*, for licences to drill three vertical wells from surface locations in Legal Subdivision (LSD) 16, Section 29, Township 37, Range 23, West of the 4th Meridian, LSD 3-29-37-23W4M, and LSD 11-29-37-23W4M. The purpose of the wells would be to obtain coalbed methane containing no hydrogen sulphide (H₂S) from the Horseshoe Canyon Formation. The proposed wells would be located about 1 kilometre (km) northwest of the Village of Delburne.

Application No. 1615467

ARC submitted an application, in accordance with Part 4 of the *Pipeline Act*, for approval to construct and operate three pipeline segments for the purpose of transporting natural gas from LSD 11-29-37-23W4M to a pipeline tie-in point at LSD 3-29-37-23W4M, from LSD 16-29-37-23W4M to LSD 11-29-37-23W4M, and from LSD 3-29-37-23W4M to LSD 13-20-37-23W4M. The proposed pipeline segments would be about 0.79 km, 1.28 km, and 0.90 km in length, respectively. The pipeline segments would have a maximum outside diameter of 114.3 millimetres (mm), 88.9 mm, and 114.3 mm and would transport natural gas containing no H₂S. The proposed pipeline segments would be located about 1 km northwest of the Village of Delburne.

2.2 Intervention

Mr. Erle Stanley Genert and Ms. Cheryl Genert (the Generts) own or lease the land where the proposed pipeline segments and two of the proposed wells would be located. The Generts filed objections to the subject applications in letters dated August 12, 2008, and June 24, 2009. Their objections were based on concerns about their water well, well site maintenance, future development, access, and compensation.

3 DISCUSSION

ARC engaged in the ERCB's Appropriate Dispute Resolution program. The process resulted in an agreement between the parties, and on October 8, 2009, a signed withdrawal of objection was received by the ERCB from the Generts. Accordingly, the Board will not be holding a hearing to consider these applications.

Dated in Calgary, Alberta, on November 3, 2009.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

G. J. Miller
Presiding Member

<original signed by>

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

<original signed by>

R. J. Willard, P.Eng.
Acting Board Member