



Bearspaw Petroleum Ltd.

Application for Compulsory Pooling
Centron Field

January 26, 2010

ENERGY RESOURCES CONSERVATION BOARD

Decision 2010-002: Bears paw Petroleum Ltd., Application for Compulsory Pooling, Centron Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**BEARSPAW PETROLEUM LTD.
APPLICATION FOR COMPULSORY POOLING
CENTRON FIELD**

**Decision 2010-002
Application No. 1622435**

DECISION

The Energy Resources Conservation Board grants the applicant's request to withdraw Application No. 1622435 and directs that the public hearing set down to consider the application be cancelled and the application be closed, as recommended in the following examiner report.

Dated in Calgary, Alberta, on January 25, 2010.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

Dan McFadyen
Chairman

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING BEARSPAW PETROLEUM LTD. APPLICATION FOR COMPULSORY POOLING CENTRON FIELD

Decision 2010-002
Application No. 1622435

1 RECOMMENDATION

Having considered the request by Bearspaw Petroleum Ltd. (Bearspaw) to withdraw Application No. 1622435, the examiner panel recommends that the Energy Resources Conservation Board (ERCB/Board) grant Bearspaw's request, that the public hearing set down by the Board to consider the application be cancelled, and that the application be closed.

2 INTRODUCTION

2.1 Application

Bearspaw applied, pursuant to Section 80 of the *Oil and Gas Conservation Act (OGCA)*, for an order prescribing that all tracts within the drilling spacing unit constituting Section 30, Township 24, Range 27, West of the 4th Meridian (Section 30) be operated as a unit for the production of gas from the Basal Quartz sands through a well to be drilled in Legal Subdivision 4.

The application proposed compulsory pooling order provisions that would allocate costs and revenues on a tract area basis, name Bearspaw as operator of the proposed well, and apply the maximum penalty allowed under the *OGCA* to a tract owner's share of the costs of drilling the well to and completing it in the formation(s) named in the order if the tract owner did not pay the costs within 30 days of the later of the pooling order being issued, the tract owner being notified in writing of its share of actual costs, or the well commencing production.

2.2 Intervention

EnCana Corporation (EnCana) is the Freehold owner of the rights to Basal Quartz gas in the northeast quarter of Section 30. EnCana objected to the application because negotiations currently ongoing between the parties for EnCana's interest in Section 30 would render a compulsory pooling order unnecessary.

2.3 Hearing

The Board directed that the application be considered at a public hearing before Board-appointed examiners B. C. Hubbard, P.Eng. (Presiding Member), C. A. Crowfoot, and R. A. Marsh, P.Geol. A notice of hearing was not issued.

3 DISCUSSION

On December 15, 2009, Bears paw notified the ERCB and EnCana that it wished to withdraw Application No. 1622435, pursuant to Section 21 of the *Energy Resources Conservation Board Rules of Practice*. The examiner panel recommends that the Board grant the request to withdraw the application and cancel the public hearing set down to consider it.

Dated in Calgary, Alberta, on January 26, 2010.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

B. C. Hubbard, P.Eng.
Presiding Member

<original signed by>

C. A. Crowfoot
Examiner

<original signed by>

R. A. Marsh, P.Geol.
Examiner