



Galleon Energy Inc.

**Application for a Well Licence
Shane Field**

June 1, 2005

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2005-055: Galleon Energy Inc., Application for a Well Licence, Shane Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**GALLEON ENERGY INC.
APPLICATION FOR A WELL LICENCE
SHANE FIELD**

**Decision 2005-055
Application No. 1393394**

1 DECISION

Having completed a review of the application, the Alberta Energy and Utilities Board (EUB/Board) hereby approves Application No. 1393394.

2 INTRODUCTION

2.1 Application

Galleon Energy Inc. (Galleon) applied pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations* to drill a directional well from a surface location of Legal Subdivision (LSD) 3, Section 34, Township 76, Range 3 West of the 6th Meridian, and terminating at a bottomhole location of LSD 15, Section 27, Township 76, Range 3 West of the 6th Meridian. The purpose of this well is to obtain gas production from the Montney Formation and from the Charlie Lake Formation. The maximum hydrogen sulphide (H₂S) concentration expected to be encountered during the drilling of this well would be 38.3 mol/kmol (3.83 per cent).

2.2 Intervention

James Bennett and Charles Bennett (the Bennetts) are adjacent landowners and residents within the calculated 1.65 kilometre (km) emergency planning zone (EPZ). The Bennetts own the land within both the southeast quarter of Section 34-76-3W6M and the northeast quarter of Section 27-76-3W6M. The Bennetts' residence is within the northwest quarter of Section 26-76-3W6M, located about 1.5 km from the proposed well centre. The Bennetts filed an objection to the well application with the EUB on March 7, 2005.

3 DISCUSSION

On May 20, 2005, prior to the Board issuing of a Notice of Hearing, Galleon submitted a letter of nonobjection signed by the Bennetts (dated May 18, 2005) stating that they no longer had objections with respect to the well application. As no other objections were submitted to the EUB, the panel assigned to this application decided not to proceed with the issuance of the Notice of Hearing and the hearing was cancelled.

Dated in Calgary, Alberta, on June 1, 2005.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

J. R. Nichol, P.Eng.
Presiding Member

<original signed by>

F. Rahnama, Ph.D.
Acting Board Member

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Acting Board Member