



MGV Energy Inc.

Application for Facility Licence
Huxley Field

October 5, 2005

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2005-110: MGV Energy Inc., Application for a Facility Licence, Huxley Field

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Alberta Energy and Utilities Board
640 – 5 Avenue SW
Calgary, Alberta
T2P 3G4

Telephone: (403) 297-8311
Fax: (403) 297-7040
E-mail: eub.info_services@eub.gov.ab.ca
Web site: www.eub.gov.ab.ca

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**MGV ENERGY INC.
APPLICATION FOR A FACILITY LICENCE
HUXLEY FIELD**

**Decision 2005-110
Application No. 1402355**

DECISION

The Alberta Energy and Utilities Board has considered the following Board Member's report, adopts the report, and directs that Application No. 1402355 be approved.

Dated in Calgary, Alberta, on October 3, 2005.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

M. N. McCrank, Q.C.
Board Chairman

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

BOARD MEMBER REPORT RESPECTING MGV ENERGY INC. APPLICATION FOR A FACILITY LICENCE HUXLEY FIELD

**Decision 2005-110
Application No. 1402355**

1 RECOMMENDATION

Having considered the application, the Board Member recommends that Application No. 1402355 be approved.

2 INTRODUCTION

2.1 Application

MGV Energy Inc. (MGV) applied to the Alberta Energy and Utilities Board (EUB), pursuant to Section 7.001 of the *Oil and Gas Conservation Regulations*, for a licence to construct and operate a facility at Legal Subdivision 12, Section 22, Township 34, Range 24, West of the 4th Meridian, in the Huxley Field, 10 kilometres southwest of the Village of Elnora, Alberta. The facility would consist of two gas-driven 1102 kilowatt compressors, one gas dehydration building, one 400 barrel water tank, one inlet separator, one 50 barrel vent knockout and flare stack, and one control/office trailer. The facility would be for the compression of natural gas with a hydrogen sulphide content of 0 per cent from coalbed methane wells in the area.

2.2 Interventions

Eric McArthur and Paulette McArthur (the McArthurs) own the south half of Section 21-34-24W4M. The McArthurs stated concerns about noise from the proposed compressors with respect to a vacant home site on their land about 675 metres (m) from the proposed facility. The McArthurs also expressed concerns related to flaring, increased traffic, and property devaluation.

Dan Frere and Laureen Frere (the Freres) are acreage owners on LSD 15-22-34-24W4M. Their residence is 913 m to the northeast of the proposed facility. The Freres concerns about the proposed facility related primarily to noise. They also stated concerns with respect to increased traffic and property devaluation.

2.3 Board Member Report

One member of the Board, Tom McGee, was authorized by the Board to prepare a Board Member's report regarding Application No. 1402355.

3 DISCUSSION

The McArthurs and the Freres used the EUB's Appropriate Dispute Resolution program in the form of an EUB staff facilitated meeting held on September 23, 2005. This facilitation resulted in the McArthurs and the Freres withdrawing their objections to Application No. 1402355.

Dated in Calgary, Alberta, on October 3, 2005.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

T. M. McGee
Board Member