

Rider Resources Ltd.

Applications for Well Licences Pembina Field

December 6, 2005

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2005-130: Rider Resources Ltd., Applications for Well Licences, Pembina Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

RIDER RESOURCES LTD.
APPLICATIONS FOR WELL LICENCES
PEMBINA FIELD

Decision 2005-130 Applications No. 1414580 and 1414594

1 DECISION

Having completed a review of the applications, the Alberta Energy and Utilities Board (EUB/Board) hereby approves Applications No. 1414580 and 1414594.

2 INTRODUCTION

2.1 Applications

Rider Resources Ltd. (Rider) applied to the EUB, pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, to drill two oil and gas wells from two separate locations. One of the proposed wells is to be drilled from the surface location of Legal Subdivision (LSD) 7, Section 17, Township 48, Range 9, West of the 5th Meridian (7-17 well site), and is to have a bottomhole location of LSD 2-17-48-9W5M (Application No. 1414580). The second well is to be drilled from a surface location of LSD 1-10-48-9W5M (1-10 well site) and is to have a bottomhole location of LSD 7-10-48-9W5M (Application No. 1414594). The purpose of the well to be drilled from the 7-17-48-9W5M surface location is to obtain crude oil production from the Nisku Formation and to obtain gas production from the Ellerslie Member. The purpose of the well to be drilled from the 1-10-48-9W5M surface location is to obtain crude oil production from the Nisku Formation and gas production from the Rock Creek Member. The hydrogen sulphide content of both wells is 25 per cent. Both wells have a calculated emergency planning zone of 6.87 kilometres (km).

2.2 Interventions

The EUB received numerous objections from area residents respecting the proposed wells submitted from April through August 2005.

3 DISCUSSION

Rider and the intervening parties were engaged in communications and negotiations throughout October and November 2005. The various meetings conducted by Rider and the intervening parties resulted in withdrawals of objections from all parties, with the exception of Lawrence Strocher and Lisa Strocher.

In reviewing the remaining objections from Mr. Strocher and Ms. Strocher, the Board was satisfied that neither of them had shown themselves to be potentially directly or adversely affected by the proposed wells, given the distance from their residence to the proposed wells, 31 km from the 7-17 well site and 35 km from the 1-10 well site. As such, the Board dismissed their

objections on December 6, 2005. As the applications meet all of the EUB's regulatory requirements, the Board approves the applications and has directed that the licences for the wells be issued.

Dated in Calgary, Alberta, on December 6, 2005.

ALBERTA ENERGY AND UTILITIES BOARD

(original signed by)

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

(original signed by)

B. T. McManus, Q.C. Board Member

(original signed by)

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