



EnCana Corporation

Section 40 Review Request of Well Licence No. 0355025
Ensign Field

September 26, 2006

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2006-094: EnCana Corporation, Section 40 Review Request of
Well Licence No. 0355025, Ensign Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**ENCANA CORPORATION
SECTION 40 REVIEW REQUEST OF
WELL LICENCE NO. 0355025
ENSGN FIELD**

**Decision 2006-094
Proceeding No. 1465895**

1 DECISION

Having accepted EnCana's request filed on August 31, 2006, for the cancellation of Well Licence No. 0355025, the Alberta Energy and Utilities Board (EUB/Board) hereby directs that the licence be cancelled.

As such, the Board finds that the review hearing that had been scheduled to reconsider Licence No. 0355025 is unnecessary and directs that it be cancelled.

2 INTRODUCTION

2.1 Background

On April 1, 2006, the Board approved Application No. 1436055 and issued Well Licence No. 0355025 to EnCana Corporation (EnCana). The licence permits EnCana to drill and produce a natural gas well from a surface location at Legal Subdivision 8, Section 18, Township 16, Range 25, West of the 4th Meridian.

2.2 Application No. 1459354

On April 27, 2006, the EUB received a letter from Darrell Graff, an occupant on lands adjacent to the well, requesting that the Board conduct a review hearing relating to the above-mentioned well licence, pursuant to Section 40 of the *Energy Resources Conservation Act*. The request for the review was based upon the proximity of his residence to the well, health impacts, and improper notification. The EUB registered this request as Application No. 1459354.

2.3 Application No. 1459357

On April 27, 2006, the EUB received a letter from Larry Graff and Barbara Graff, landowners adjacent to the well, requesting that the Board conduct a review hearing relating to the above-mentioned well licence, pursuant to Section 40 of the *Energy Resources Conservation Act*. The request for the review was based upon health impacts, improper notification, and land devaluation. The EUB registered this request as Application No. 1459357.

2.4 Proceeding No. 1465895

On May 30, 2006, the Board granted the request for a review hearing to Darrell Graff and registered the hearing as Proceeding No. 1465895. On July 31, 2006, the Board granted the request for a review hearing by Larry Graff and Barbara Graff and determined that the reviews

be heard at the same proceeding. The hearing was granted on the basis of the proximity of both parties to the proposed well.

2.5 Hearing

The Board was scheduled to hold a public hearing in Nanton, Alberta, on October 23, 2006, before Board Member J. R. Nichol, P.Eng. (Presiding Member), Board Member T. M. McGee, and Acting Board Member R. C. Clark. The hearing was cancelled by the EUB for the reasons set out below.

3 DISCUSSION

Subsequent to the Board's issuance of a Notice for Hearing, a written request was received by the Board from EnCana on August 31, 2006, to cancel its licence, pursuant to Section 25(d) of the *Oil and Gas Conservation Act*, and to close the review hearing.

As the well was not drilled, the Board has agreed to cancel the licence and is satisfied that a review hearing is no longer required.

Dated in Calgary, Alberta, on September 26, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

(ORIGINAL SIGNED BY)

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

(Original signed by)

T. M. McGee
Board Member

(Original signed by)

R. C. Clark
Acting Board Member