



Apache Canada Limited

Applications for a Well Licence and a Pipeline Licence
Bashaw Field

June 3, 2008

ENERGY RESOURCES CONSERVATION BOARD

Decision 2008-046: Apache Canada Limited, Applications for a Well Licence and a Pipeline Licence, Bashaw Field

June 3, 2008

Published by

Energy Resources Conservation Board
640 – 5 Avenue SW
Calgary, Alberta
T2P 3G4

Telephone: 403-297-8311
Fax: 403-297-7040
E-mail: HPublications@ercb.ca
Web site: www.ercb.ca

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**APACHE CANADA LIMITED
APPLICATIONS FOR A WELL LICENCE
AND A PIPELINE LICENCE
BASHAW FIELD**

**Decision 2008-046
Applications No. 1520368 and 1526382**

DECISION

The Energy Resources Conservation Board has considered the findings and recommendations set out in the following examiner report, adopts the recommendations, and directs that Applications No. 1520368 and 1526382 be approved.

Dated in Calgary, Alberta, on June 3, 2008.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

Dan McFadyen
Chairman

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING APACHE CANADA LIMITED APPLICATIONS FOR A WELL LICENCE AND A PIPELINE LICENCE BASHAW FIELD

Decision 2008-046
Applications No. 1520368 and 1526382

1 RECOMMENDATIONS

Having considered the applications, the examiner panel recommends that the hearing scheduled to consider this matter be cancelled and that Applications No. 1520368 and 1526382 be approved.

2 INTRODUCTION

2.1 Applications

Apache Canada Limited (Apache) applied to the Alberta Energy and Utilities Board (now the Energy Resources Conservation Board [ERCB/Board]), pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a vertical well from a surface location at Legal Subdivision (LSD) 15, Section 1, Township 41, Range 22, West of the 4th Meridian. The purpose of the well would be to produce gas from the coals of the Edmonton Group and gas from the sands of the Belly River Group. No hydrogen sulphide (H₂S) is expected to be encountered in the drilling of the well.

Apache also applied, pursuant to Part 4 of the *Pipeline Act*, for approval to construct and operate a pipeline from the well at LSD 15-01-041-22W4M to an existing pipeline tie-in at LSD 08-01-041-22W4M. The proposed pipeline would transport natural gas containing no H₂S. It would be about 0.63 kilometres in length, with a maximum outside diameter of 88.9 millimetres.

2.2 Intervention

Briand McInnes, the landowner where the proposed well and pipeline are proposed to be drilled and constructed, filed an objection in opposition to the subject applications. Mr. McInnes raised concerns regarding the right-of-way agreement, land use, quality of service, and notification.

2.3 Hearing

The Board-appointed examiners L. Wilson-Temple (Presiding Member), K. Fisher, and J. MacGillivray scheduled a public hearing in Edmonton, Alberta, on May 26, 2008.

3 DISCUSSION

Apache and Mr. McInnes engaged in facilitation, resulting in an agreement between the parties. On May 15, 2008, the ERCB received a signed withdrawal of objection from Mr. McInnes.

The examiners are satisfied that the applications are technically complete and compliant with all applicable ERCB requirements. As Mr. McInnes withdrew his objection to Applications No. 1520368 and 1526382, the examiners are satisfied that a hearing is not required for the Board to make a disposition on the well and pipeline applications. Having regard for the foregoing, the examiners recommend that the hearing be cancelled and that the applications be approved.

Dated in Calgary, Alberta, on May 29, 2008.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

L. Wilson-Temple
Presiding Member

<original signed by>

K. Fisher
Examiner

<original signed by>

J. MacGillivray, P.Geol.
Examiner