



**EnCana Corporation**

**Sabretooth Energy Ltd.**

**Applications for Special Gas Well Spacing  
Pouce Coupe South and Gordondale Fields**

**June 16, 2009**

**ENERGY RESOURCES CONSERVATION BOARD**

Decision 2009-038: EnCana Corporation, Sabretooth Energy Ltd., Applications for Special Gas Well Spacing, Pouce Coupe South and Gordondale Fields

June 16, 2009

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**ENERGY RESOURCES CONSERVATION BOARD**

Calgary Alberta

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**ENCANA CORPORATION, SABRETOOTH ENERGY LTD.  
APPLICATIONS FOR SPECIAL GAS WELL SPACING  
POUCE COUPE SOUTH AND GORDONDALE FIELDS**

**Decision 2009-038  
Applications No. 1580450  
and 1595227**

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**DECISION**

The Energy Resources Conservation Board has considered the recommendations set out in the following examiner report, adopts the recommendations, and directs that the scheduled hearing be cancelled and Applications No. 1580450 and 1595227 be approved.

Dated in Calgary, Alberta, on June 16, 2009.

**ENERGY RESOURCES CONSERVATION BOARD**

*<original signed by>*

Dan McFadyen  
Chairman



# **ENERGY RESOURCES CONSERVATION BOARD**

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Calgary Alberta

**EXAMINER REPORT RESPECTING  
ENCANA CORPORATION, SABRETOOTH ENERGY LTD.  
APPLICATIONS FOR SPECIAL GAS WELL SPACING  
POUCE COUPE SOUTH AND GORDONDALE FIELDS**

**Decision 2009-038  
Applications No. 1580450  
and 1595227**

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## **1 RECOMMENDATIONS**

The examiners recommend that the hearing scheduled to consider Applications No. 1580450 and 1595227 be cancelled and the applications be approved.

## **2 INTRODUCTION**

### **2.1 Application No. 1580450**

EnCana Corporation (EnCana) applied to the Energy Resources Conservation Board (ERCB/Board), pursuant to Section 79(4) of the *Oil and Gas Conservation Act (OGCA)* and Section 5.190 of the *Oil and Gas Conservation Regulations (OGCR)*, to amend two existing holdings for the production of gas from the Montney Formation in the following areas:

- 1) Sections 29, 30, 31, 32 of Township 78, Range 11, West of the 6th Meridian (W6M), Section 36-78-12W6M, Sections 6, 7, 8, 9-79-11W6M, and Sections 1 and 12-79-12W6M, and
- 2) Section 35-78-11W6M and Section 2-79-11W6M.

EnCana applied to increase the well density in the holdings from four to eight wells per pool per section. In addition, it applied to remove the interwell distance and to amend the existing buffer distances from 150 metres (m) on all boundaries to 300 m on the south and west boundaries of the holdings.

### **2.2 Application No. 1595227**

Sabretooth Energy Ltd. (Sabretooth) applied to the ERCB, pursuant to Section 79 (4) of the *OGCA* and Section 5.190 of the *OGCR*, to establish a holding for the production of gas from Montney Formation in Section 18-79-11W6M. It applied for a well density of eight wells per pool per section and a 150 m buffer distance on all boundaries of the holding.

### **2.3 Interventions**

EnCana objected to the buffer zone applied for by Sabretooth, and Sabretooth likewise objected to the buffer zone applied for by EnCana.

Oban Energy Ltd. objected to the buffer zone applied for by EnCana.

## 2.4 Hearing

The applications were scheduled to be considered at a public hearing in Calgary, Alberta, on June 9, 2009, before Board-appointed examiners R. J. Willard, P.Eng. (Presiding Member), T. A. Dibus, P.Geol., and G. W. Dilay, P.Eng.

## 3 DISCUSSION

After engaging in appropriate dispute resolution, the parties reached agreement on the consistent application of buffer zone restrictions. Accordingly, Sabretooth amended its application to a buffer distance of 300 m on the south and west boundaries of the holding (the same as that applied for by EnCana) and withdrew its objection to EnCana's application, and EnCana withdrew its objection to Sabretooth's application. Oban also withdrew its objection to EnCana's application.

The examiners note that eight of the thirteen sections applied for by EnCana are within the Pouce Coupe South Montney O Pool (O Pool). In a significant portion of the O Pool there are holdings with well densities of eight or more wells per pool per section and buffer distances of 300 m on the south and west boundaries of the holdings. Although the section applied for by Sabretooth is not within the O Pool, the section is adjacent to part of EnCana's application areas.

Since there are no longer any objections to the applications and the applied-for well densities and the buffer zones are similar to those already approved in much of the O Pool, the examiners recommend that the hearing be cancelled and Applications No. 1580450 and 1595227 be approved.

Dated in Calgary, Alberta, on June 9, 2009.

### ENERGY RESOURCES CONSERVATION BOARD

*<original signed by>*

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

*<original signed by>*

T. A. Dibus, P.Geol.  
Examiner

*<original signed by>*

G. W. Dilay, P.Eng.  
Examiner