

Canadian Natural Resources Limited

Applications for Licences for a Pipeline and a Battery Fort Kent Field

February 21, 2006

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2006-009: Canadian Natural Resources Limited, Applications for Licences for a Pipeline and a Battery, Fort Kent Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

CANADIAN NATURAL RESOURCES LIMITED APPLICATIONS FOR LICENCES FOR A PIPELINE AND A BATTERY FORT KENT FIELD

Decision 2006-009 Applications No. 1400981 and 1431069

DECISION

The Alberta Energy and Utilities Board has considered the findings and recommendations set out in the following examiner report, adopts the recommendations, and directs that Applications No. 1400981 and 1431069 be approved.

Dated in Calgary, Alberta, on February 21, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

(Original signed by)

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

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING CANADIAN NATURAL RESOURCES LIMITED APPLICATIONS FOR LICENCES FOR A PIPELINE AND A BATTERY FORT KENT FIELD

Decision 2006-009 Applications No. 1400981 and 1431069

1 RECOMMENDATIONS

Having considered the application, the examiners recommend that the hearing by the examiners that was scheduled to consider Applications No. 1400981 and 1431069 be cancelled and that the applications be approved.

2 INTRODUCTION

2.1 Application No. 1400981

On May 16, 2005, Canadian Natural Resources Limited (Canadian Natural) submitted an application to the Alberta Energy and Utilities Board (EUB/Board) in accordance with Part 4 of the *Pipeline Act* for approval to construct and operate a pipeline for the purpose of transporting natural gas from Legal Subdivision (LSD) 2, Section 25, Township 61, Range 5, West of the 4th Meridian to LSD 13-20-61-4W4M. The proposed pipeline would be about 2.86 kilometres (km) in length, with a maximum outside diameter of 88.9 millimetres, and would transport natural gas with a maximum hydrogen sulphide concentration of 0.0 moles per kilomole (0.0 per cent). The proposed pipeline would be located about 10 km northeast of Bonnyville.

2.2 Application No. 1431069

On November 23, 2005, Canadian Natural submitted an application to the EUB in accordance with Section 7.001 of the *Oil and Gas Conservation Regulations* requesting approval to construct and operate a multiwell gas battery in LSD 2-25-61-5W4M. The well site facility would consist of a produced water tank and two separator/meter skids. The purpose of the facility would be to separate and measure production from an existing gas well located at LSD 2-25-61-5W4M. The proposed battery would be located about 10 km northeast of Bonnyville.

2.3 Intervention

S. Chalut (the intervener) is the landowner of the southwest quarter of Section 30-61-4W4M and owns and resides on the southeast quarter of Section 25-61-5W4M. The intervener and her representative, R. Strom, filed objections to Application No. 1400981 in July and August 2005, citing general concerns relating to all aspects of the pipeline operations and location. There were no objections filed with respect to Application No. 1431069.

2.4 Hearing

The examiners had scheduled a public hearing on the applications in Bonnyville, Alberta, on February 22, 2006, before E. A. Shirley, P.Geol. (Presiding Member) and T. J. Pesta, P.Eng., and J. E. Reid. The examiners recommend that the Board cancel the hearing for the reasons set out in the discussion below.

3 DISCUSSION

The examiners note that the intervener submitted a letter dated February 6, 2006, confirming that she had no objection to either application and note that the Board has not received any other objections to the applications. The examiners are satisfied that a hearing is not required for the Board to make a disposition of the subject applications and therefore recommend cancellation of the hearing.

Furthermore, on the basis of the EUB staff's review of Applications No. 1400981 and 1431069 indicating that the applications are technically complete and meet all of the applicable EUB requirements, the examiners recommend that the applications be approved.

Dated in Calgary, Alberta, on February 21, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

(Original signed by)

E. A. Shirley, P.Geol. Presiding Member

(Original signed by)

T. J. Pesta, P.Eng. Examiner

(Original signed by)

J. E. Reid Examiner