



EOG Resources Canada Inc.

Applications for Well and Pipeline Licences
Cessford Field

March 27, 2006

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2006-028: EOG Resources Canada Inc., Application for Well and Pipeline Licences,
Cessford Field

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Alberta Energy and Utilities Board
640 – 5 Avenue SW
Calgary, Alberta
T2P 3G4

Telephone: (403) 297-8311
Fax: (403) 297-7040
E-mail: eub.info_services@eub.gov.ab.ca
Web site: www.eub.gov.ab.ca

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**EOG RESOURCES CANADA INC.
APPLICATIONS FOR WELL AND
PIPELINE LICENCES
CESSFORD FIELD**

**Decision 2006-028
Applications No. 1417483, 1417489,
1417825, 1417830, 1417843,
1417849, and 1422663**

DECISION

The Alberta Energy and Utilities Board has considered the findings and recommendations set out in the following examiner report, adopts the recommendations, and approves the withdrawal of Applications No. 1417483, 1417489, 1417825, 1417830, 1417843, 1417849, and 1422663.

Dated in Calgary, Alberta, on March 27, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

M. N. McCrank, Q.C., P.Eng.
Chairman

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**EXAMINER REPORT RESPECTING
EOG RESOURCES CANADA INC.
APPLICATIONS FOR WELL AND
PIPELINE LICENCES
CESSFORD FIELD**

**Decision 2006-028
Applications No. 1417483, 1417489,
1417825, 1417830, 1417843,
1417849, and 1422663**

1 RECOMMENDATIONS

Having considered the applications, the examiner panel recommends cancellation of the hearing scheduled to consider this matter and recommends the withdrawal of Applications No. 1417483, 1417489, 1417825, 1417830, 1417843, 1417849, and 1422663.

2 INTRODUCTION

2.1 Applications

EOG Resources Canada Inc. (EOG) applied to the Alberta Energy and Utilities Board (EUB/Board), pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for six licences to drill six wells from two common surface locations. The maximum hydrogen sulphide (H₂S) concentration for the proposed wells was expected to be 0.0 moles per kilomole (mol/kmol) (0.0 per cent). The purpose of the wells (listed below) was to obtain natural gas production from the Medicine Hat and the Milk River Formations.

- One proposed vertical well was to be drilled from a surface location of Legal Subdivision (LSD) 13, Section 14, Township 22, Range 10, West of the 4th Meridian (Application No. 1417483).
- One proposed slant well was to be drilled from a surface location of LSD 13-14-22-10W4M, with a bottomhole location of LSD 5-14-22-10W4M (Application No. 1417825).
- One proposed vertical well was to be drilled from a surface location of LSD 14-14-22-10W4M (Application No. 1417489).
- Three slant wells were to be drilled from a surface location of LSD 14-14-22-10W4M, with bottomhole locations of LSD 16-14-22-10W4, LSD 11-14-22-10W4M, and LSD 9-14-22-10W4M (Applications No. 1417849, 1417843, and 1417830 respectively).

In relation to the well applications mentioned above, there was one access road. This related access road was to traverse from the proposed 14-14-22-10W4 well pad through easterly portions of Sections 15 and 22-22-10W4M before intersecting the existing government road allowance.

EOG filed Application No. 1422663, in accordance with Part 4 of the *Pipeline Act*, for approval to construct and operate one pipeline for the purpose of transporting natural gas from the proposed well pad location at LSD 14-14-22-10W4M to a pipeline tie-in point at LSD 14-23-22-10W4M. The pipeline was to be about 4.12 kilometres (km) in length, with a maximum outside diameter of 88.9 millimetres, and was to transport natural gas with a maximum H₂S concentration of 0.0 mol/kmol (0.0 per cent).

The proposed wells, access road, and pipeline were to be located about 46 km east of the Village of Duchess.

2.2 Intervention

On September 19, 2005, Clarence Rowbotham and Brenda Rowbotham (the Rowbothams) submitted an objection to the abovementioned EOG applications. The Rowbothams are the landowners of the northeast quarter of Section 15, Township 22, Range 10, West of the 4th Meridian, and the southeast quarter of Section 22-22-10W4M, where the pipeline and well pads access road were to traverse. Their objections pertained to the location of the access road and the pipeline.

2.3 Hearing

The examiners were scheduled to hold a public hearing in Brooks, Alberta, on March 14, 2006, before M. P. Vandenberg, C.E.T. (Presiding Member), W. Elsner, P.Geol., and J. E. Reid. The examiners recommend that the Board cancel the hearing for the reasons set out in the discussion below.

3 DISCUSSION

On March 13, 2006, EOG notified the Board that it was withdrawing its applications. In accordance with Section 20 of the EUB's *Rules of Practice*, the examiners recommend the withdrawal of Applications No. 1417483, 1417489, 1417825, 1417830, 1417843, 1417849, and 1422663.

In light of EOG withdrawing its application, the examiners are satisfied that a hearing is not necessary for the Board to make a disposition of the subject application and therefore recommend cancellation of the hearing.

Dated in Calgary, Alberta, on March 27, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

M. P. Vandenberg, C.E.T.
Presiding Member

<original signed by>

W. Elsner, P.Geol.
Examiner

<original signed by>

J. E. Reid
Examiner