



EnCana Corporation

Section 39 Review Request of Well Licences No. 0267134 and
0267689

Alderson Field

March 20, 2007

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2007-021: EnCana Corporation, Section 39 Review Request of Well Licences 0267134 and 0267689, Alderson Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

ENCANA CORPORATION SECTION 39 REVIEW REQUEST OF WELL LICENCES 0267134 AND 0267689 ALDERSON FIELD

Decision 2007-021
Proceeding No. 1482011

1 DECISION

Having regard for the withdrawal of the request for review, the Alberta Energy and Utilities Board (EUB/Board) has hereby cancelled the public hearing scheduled to consider Well Licences No. 0267134 and 0267689 and confirms the licences to be in good standing.

2 INTRODUCTION

2.1 Applications

On February 1 and February 13, 2002, the Board approved Applications No. 1255723 and 1256723 and issued Well Licences No. 0267134 and 0267689, respectively, to PanCanadian Energy Corporation (subsequently known as EnCana Corporation) pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*.

Application No.1255723 was to drill a vertical well at Legal Subdivision (LSD) 8, Section 25, Township 15, Range 15, West of the 4th Meridian. The well was drilled in 2002 to obtain gas production with a maximum hydrogen sulphide (H₂S) concentration of 2.0 moles per kilomole (0.2 per cent) from the Viking and the Basal Quartz Formations. The well is located approximately 8.2 kilometres (km) west of the Hamlet of Scandia.

Application No. 1256723 was to drill a directional well from a surface location at LSD 13-30-15-14W4M. The well was drilled in 2002 to obtain gas production containing no H₂S from the Viking Formation and the Basal Colorado Sands. The well is located approximately 8.4 km west of the Hamlet of Scandia.

2.2 Intervention and Hearing

On April 21, 2006 the Board received correspondence from Blaine Johnson of C.O. Johnson and Sons Ranches requesting that a review hearing be held, pursuant to Section 39 of the *Energy Resources Conservation Act*, to consider the Board's decision to issue the well licences. The request for review related to the manner in which EnCana was conducting its operations on Mr. Johnson's lands. The EUB registered the request as Application No. 1459018.

On September 18, 2006, the Board granted the request for a review hearing, which was registered as Proceeding No. 1482011. The purpose of the review hearing was to determine whether the Board should confirm, vary, or rescind its decision to grant Well Licences No.

0267134 and 0267689. The Board was scheduled to hold the review hearing in Brooks, Alberta, on Friday, March 9, 2007 before Board Member A.J. Berg, P.Eng. (Presiding Member) and Acting Board Members F. Rahnama, Ph.D., and D.D. Waisman, C.E.T.

3 DISCUSSION

Subsequent to the Board's issuance of a Notice of Hearing, discussions continued between the parties and resulted in an agreement. The Board received correspondence dated March 1, 2007, from counsel for C.O. Johnson and Sons Ranches, withdrawing its request for a review hearing. The Board accepted the request and the hearing was cancelled.

Dated in Calgary, Alberta, on March 20, 2007.

ALBERTA ENERGY AND UTILITIES BOARD

[Original signed by]

A.J. Berg, P.Eng.
Presiding Member

[Original signed by]

F. Rahnama, Ph.D.
Acting Board Member

[Original signed by]

D.D. Waisman, C.E.T.
Acting Board Member