

Talisman Energy Inc.

Section 39 Review Request of Well Licence 0374802 Webster Field

January 22, 2008

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2008-005: Talisman Energy Inc., Section 39 Review Request of Well Licence 0374802, Webster Field

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

TALISMAN ENERGY INC. SECTION 39 REVIEW REQUEST OF WELL LICENCE 0374802 WEBSTER FIELD

Decision 2008-005 Proceeding 1527088

1 DECISION

Having accepted the request by Talisman Energy Inc. (Talisman) for the cancellation of Well Licence 0374802, the Alberta Energy and Utilities Board (EUB/Board) hereby directs that the licence be cancelled. As such, the Board finds that the public hearing that had been scheduled to reconsider Well Licence 0374802 is unnecessary and directs that the hearing be cancelled. The Board expects Talisman to conduct any necessary site reclamation.

2 INTRODUCTION

2.1 Background

On February 22, 2007, the Board approved Application 1502247 and issued Well Licence 0374802 to Talisman. The licence permitted Talisman to drill a directional well from a surface location at Legal Subdivision 6, Section 7, Township 74, Range 5, West of the 6th Meridian. Following the Board's approval of Well Licence 0374802, Talisman completed lease site preparation. Upon receipt of a copy of a request to review the well licence, pursuant to Section 39 of the *Energy Resources Conservation Act*, Talisman voluntarily suspended all drilling operations pending a decision by the Board on the request.

2.2 **Application 1515894**

On June 12 and 20, 2007, the EUB received letters from Dwayne Jarvis, the landowner adjacent to the proposed well location, requesting that the Board conduct a hearing to review the abovementioned well licence, pursuant to Section 39 of the *Energy Resources Conservation Act*. The request for the review was based on concerns related to health impacts, improper notification, and land devaluation. The EUB registered this request as Application 1515894.

2.3 **Proceeding 1527088**

On August 24, 2007, the EUB granted the request for a review hearing and registered the hearing as Proceeding 1527088. The review hearing was granted on the basis that Mr. Jarvis had raised facts that warranted further examination by the Board to ensure the appropriateness of its decision to grant the well licence.

2.4 Hearing

The Board scheduled a public hearing to be held in Grande Prairie, Alberta, on January 8, 2008, before Board Members B. T. McManus, Q.C. (Presiding Member) and C. Dahl Rees, LL.B., and Acting Board Member K. G. Sharp, P.Eng.

3 DISCUSSION

On November 28, 2007, subsequent to the issuance of the Notice of Hearing, a request was received by the Board from Talisman to cancel Well Licence 0374802, pursuant to Section 25(d) of the *Oil and Gas Conservation Act*, and to cancel the review hearing.

As the well was not drilled, the Board has agreed to cancel the licence and is satisfied that a review hearing is no longer required.

As Talisman has conducted site preparation at the proposed well location, the Board expects Talisman to conduct any necessary site reclamation activities. The Board will refer the matter to Alberta Environment for the appropriate follow-up.

Dated in Calgary, Alberta, on January 22, 2008.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>
B. T. McManus, Q.C.
Presiding Member

<original signed by>
C. Dahl Rees, LL.B.
Board Member

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K. G. Sharp, P.Eng.

Acting Board Member