

West Energy Ltd.

Application for a Well Licence Pembina Field

May 20, 2008

ENERGY RESOURCES CONSERVATION BOARD

Decision 2008-039: West Energy Ltd., Application for a Well Licence, Pembina Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

WEST ENERGY LTD.
APPLICATION FOR A WELL LICENCE
PEMBINA FIELD

Decision 2008-039 Application No. 1550991

1 DECISION

Having completed a review of the application, noting that it meets Energy Resources Conservation Board (ERCB/Board) requirements and noting the receipt of a withdrawal of objection from the intervening party, the Board hereby approves Application No. 1550991.

2 INTRODUCTION

2.1 Application

West Energy Ltd. (West) applied to the ERCB, pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a level-1 critical sour well from a surface location in Legal Subdivision (LSD) 1 of Section 1, Township 50, Range 6, West of the 5th Meridian, to a projected bottomhole location in LSD 9-1-50-6W5M. The maximum hydrogen sulphide (H₂S) concentration expected to be encountered in the drilling of the well would be about 160.2 moles per kilomole (16.02 per cent), and the cumulative drilling H₂S release rate would be 2.5 cubic metres per second, with a corresponding emergency planning zone of 4.29 kilometres (km). The purpose of the well would be to obtain crude oil production from the Nisku Formation.

The well would be located about 1.8 km east of Berrymoor.

2.2 Intervention

An objection was received from Bill Johnston and Conny Johnston. They expressed concerns about safety, human and animal health, effect on property value, and effects on the environment.

2.3 Hearing

The Board was scheduled to hold a public hearing in Drayton Valley, Alberta, commencing on June 25, 2008, before Board Member M. J. Bruni, Q.C. and Acting Board Members F. Rahnama, Ph.D., and C. A. Langlo, P.Geol.

3 DISCUSSION

West engaged in facilitation meetings with the Johnstons. The meetings resulted in an agreement between the parties, and on May 6, 2008, a signed withdrawal of objection was received by the ERCB.

Dated in Calgary, Alberta, on May 20, 2008.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

M. J. Bruni, Q.C. Presiding Member

<original signed by>

F. Rahnama, Ph.D. Acting Board Member

<original signed by>

C. A. Langlo, P.Geol. Acting Board Member