



NAL Resources Limited

Application for a Pipeline Licence
Joffre Field

July 22, 2008

ENERGY RESOURCES CONSERVATION BOARD

Decision 2008-064: NAL Resources Limited, Application for Pipeline Licence, Joffre Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

NAL RESOURCES APPLICATION FOR A PIPELINE LICENCE JOFFRE FIELD

Decision 2008-064
Application No. 1527925

1 DECISION

The Energy Resources Conservation Board (ERCB/Board) has accepted NAL Resources Limited's (NAL's) request to withdraw the application and has cancelled the public hearing scheduled to consider it.

2 INTRODUCTION

2.1 Application

NAL submitted an application in accordance with Part 4 of the *Pipeline Act* for approval to construct and operate a pipeline from a pipeline tie-in at Legal Subdivision (LSD) 10, Section 24, Township 38, Range 27, West of the 4th Meridian, to a pipeline tie-in at LSD 4-25-38-27W4M. The proposed pipeline would be about 1.4 kilometres (km) in length, with a maximum outside diameter of 114.3 millimetres, and would transport oil effluent with a maximum hydrogen sulphide content of 100 moles per kilomole (10 per cent). The proposed pipeline would be operated as a level-1 pipeline and would be located about 1.8 km northeast of Red Deer.

The application was filed with the Alberta Energy and Utilities Board (EUB). Effective January 1, 2008, the EUB was replaced by the ERCB and the Alberta Utilities Commission. This application is within the ERCB's jurisdiction. In accordance with the transition provisions of the *Alberta Utilities Commission Act*, the decision on this application is issued by the ERCB.

2.2 Interventions

By letter to the EUB dated October 23, 2007, Kaylor X-Ray/Management (Kaylor), the owner of lands on which a portion of the applied-for pipeline would be located, filed an objection to the application. The concerns raised by Kaylor related to future development, setbacks, location, and public safety.

2.3 Hearing

The Board was scheduled to hold a public hearing in Red Deer, Alberta, on July 21, 2008, before Board Member G. J. Miller (Presiding Member) and Acting Board Members F. Rahnama, Ph.D., and T. L. Watson, P.Eng.

3 DISCUSSION

Negotiations between NAL and Kaylor resulted in an agreement, and on July 9, 2008, the ERCB received a signed withdrawal of objection.

On July 10, 2008, NAL notified the ERCB that as a result of the negotiations held with Kaylor, the applied-for pipeline would be rerouted and that NAL was withdrawing Application No. 1527925 and submitting a new application with the revised routing. Pursuant to Section 21 of the *Energy Resources Conservation Board Rules of Practice*, the Board accepted the withdrawal of the application. Accordingly, the application was withdrawn and the public hearing was cancelled.

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

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

G. J. Miller
Presiding Member

<original signed by>

F. Rahnama, Ph.D.
Acting Board Member

<original signed by>

T. L. Watson, P.Eng.
External Acting Board Member