

EnCana Corporation

Application for a Single-Well Oil Battery Licence Elnora Field

January 26, 2009

ENERGY RESOURCES CONSERVATION BOARD

Decision 2009-005: EnCana Corporation, Application for a Single-Well Oil Battery Licence, Elnora Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

ENCANA CORPORATION APPLICATION FOR A SINGLE-WELL OIL BATTERY LICENCE ELNORA FIELD

Decision 2009-005 Application No. 1562431

DECISION

The Energy Resources Conservation Board has considered the recommendations set out in the following examiner report, adopts the recommendations, and directs that Application No. 1562431 be approved.

Dated in Calgary, Alberta, on January 26, 2009.

ENERGY RESOURCES CONSERVATION BOARD

Dan McFadyen Chairman

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING
ENCANA CORPORATION
APPLICATION FOR A SINGLE-WELL OIL BATTERY
LICENCE
ELNORA FIELD

Decision 2009-005 Application No. 1562431

1 RECOMMENDATIONS

Having received Application No. 1562431, noting that it meets Energy Resources Conservation Board (ERCB/Board) requirements and noting the receipt of a confirmation of nonobjection from the intervening party, the examiner panel recommends cancellation of the hearing and that Application No. 1562431 be approved. It also recommends that the licence be set to expire 6 months from the date of issue.

2 INTRODUCTION

2.1 Application

EnCana Corporation (EnCana) applied to the ERCB, pursuant to Section 7.001 of the *Oil and Gas Conservation Regulations*, for approval to construct and operate a single-well oil battery in Legal Subdivision (LSD) 16, Section 17, Township 35, Range 23, West of the 4th Meridian. The well site facility would consist of an inlet separator, oil storage tank, and a pop tank. The purpose of the facility would be to separate and measure production from an existing well located at LSD 16-17-035-23W4M that was initially drilled to produce gas. The proposed temporary oil battery would be located about 4.5 kilometres northwest of Village of Elnora and would operate for a period of 6 months.

2.2 Intervention

The intervening parties were Earl Winther and Lois Winther (the Winthers), the landowners of the north half of Section 17-35-23W4M. Their objections were related to the safety of a shared access road, as well as previous trespassing onto their property and damage to the road caused by increased traffic.

2.3 Hearing

Board-appointed examiners L. D. Wilson-Temple (Presiding Member), H. W. Knox, P.Eng., and M. S. Craig were scheduled to hold a public hearing in Red Deer, Alberta, commencing on December 17, 2008.

3 DISCUSSION

EnCana engaged in ERCB-facilitated appropriate dispute resolution with the Winthers and their counsel, Joseph Lehane. The process resulted in an agreement between the parties, and on

December 4, 2008, a signed withdrawal of objection was received by the ERCB. Accordingly, the examiners undertook to cancel the scheduled hearing.

Dated in Calgary, Alberta, on January 26, 2009.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

L. D. Wilson-Temple Presiding Member

<original signed by>

H. W. Knox, P.Eng Examiner

<original signed by>

M. S. Craig Examiner