



Canadian Natural Resources Limited

Section 40 Review of Well Licence No. 0407710
Eliza Field

October 6, 2009

ENERGY RESOURCES CONSERVATION BOARD

Decision 2009-060: Canadian Natural Resources Limited, Section 40 Review of Well Licence No. 0407710, Eliza Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

CANADIAN NATURAL RESOURCES LIMITED
SECTION 40 REVIEW OF WELL LICENCE NO. 0407710
ELIZA FIELD

Decision 2009-060
Proceeding No. 1612996

1 DECISION

Having considered the withdrawal of the request for a review of Well Licence No. 0407710, pursuant to Section 40 of the *Energy Resources Conservation Act (ERCA)*, the Energy Resources Conservation Board (ERCB/Board) has cancelled the hearing scheduled for September 16, 2009, and hereby directs that Well Licence No. 0407710 be confirmed as being in good standing.

2 INTRODUCTION

2.1 Well Licence No. 0407710

On January 13, 2009, the ERCB approved Application No. 1593086 and issued Well Licence No. 0407710 to Canadian Natural Resources Limited (CNRL), in accordance with Section 2.020 of the *Oil and Gas Conservation Regulations*. The licence was for the drilling of a single well to obtain crude bitumen with 0 per cent hydrogen sulphide from the Sparky Formation from a surface location at Legal Subdivision 2, Section 7, Township 56, Range 7, West of the 4th Meridian. The nearest urban centre is the Town of Elk Point, located about 10 kilometres northeast of the well. The well was drilled between February 6 and 8, 2009.

2.2 Application No. 1605564

On January 19, 2009, the ERCB received a letter from Kevin Hovelkamp requesting that the Board conduct a review hearing relating to Well Licence No. 0407710, pursuant to Section 40 of the *ERCA*. Mr. Hovelkamp's concerns related to water quality, supply, and protection of nearby natural springs and seep holes. The ERCB registered this request as Application No. 1605564.

2.3 Proceeding No. 1612996

On April 28, 2009, the ERCB granted the request for a review hearing and registered the hearing as Proceeding No. 1612996. The purpose of the review hearing was to determine whether the Board should confirm, vary, or rescind its decision to grant Well Licence No. 0407710.

2.4 Hearing

The Board was scheduled to hold a public hearing in St. Paul, Alberta, on September 16, 2009, before Board Members G. Eynon, P.Geol. (Presiding Member), J. D. Ebbels, and T. L. Watson, P.Eng.

3 DISCUSSION

CNRL and Mr. Hovelkamp engaged in appropriate dispute resolution (ADR) on August 12, 2009. The ADR meeting resulted in an agreement between the parties, and on August 18, 2009, a signed withdrawal of request for a review of Well Licence No. 0407710 was received by the ERCB.

On September 1, 2009, a notice of cancellation of hearing was issued by the ERCB.

In light of Mr. Hovelkamp's withdrawal of his request for review of Well Licence No. 0407710, the Board directs that Well Licence No. 0407710 be confirmed as being in good standing.

Dated in Calgary, Alberta, on October 6, 2009.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

G. Eynon, P.Geol.
Presiding Member

<original signed by>

J. D. Ebbels
Board Member

<original signed by>

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