

Highpine Oil & Gas Limited

Application for a Well Licence Pembina Field

January 12, 2010

ENERGY RESOURCES CONSERVATION BOARD

Decision 2010-001: Highpine Oil & Gas Limited, Application for a Well Licence, Pembina Field

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Published by

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

HIGHPINE OIL & GAS LIMITED APPLICATION FOR A WELL LICENCE PEMBINA FIELD

Decision 2010-001 Application No. 1611613

1 DECISION

The Energy Resources Conservation Board (ERCB/Board) accepts the request from Highpine Oil & Gas Limited (Highpine) to withdraw Application No. 1611613 and will not hold a public hearing to consider it.

2 INTRODUCTION

2.1 Application

Highpine applied to the ERCB for a licence for an E610 critical sour crude oil well to be drilled directionally from a surface location at Legal Subdivision (LSD) 15, Section 7, Township 49, Range 8, West of the 5th Meridian, to a projected bottomhole in LSD 8-18-49-8W5M. The maximum hydrogen sulphide (H₂S) concentration was calculated to be about 300 moles per kilomole (30 per cent) and the cumulative drilling H₂S release rate to be 2.52 cubic metres per second, with a corresponding emergency planning zone radius of 2.83 kilometres (km). The purpose of the well was to obtain crude oil from the Nisku Formation. The proposed well was to be located about 9.9 km northwest of Violet Grove.

2.2 Interventions

Objections to the application were received from Dale Guze, Gary Bannard, the Pembina Agricultural Protection Association, and Perry May and Mary Lou May (the Mays). The concerns raised by the parties included health, safety, compensation, the environment, and oil and gas industry proliferation in the area.

The Mays withdrew their objection by letter dated September 7, 2009.

3 DISCUSSION

On December 8, 2009, Highpine notified the ERCB that it was withdrawing Application No. 1611613, pursuant to Section 21 of the *Energy Resources Conservation Board Rules of Practice*. The Board accepts the withdrawal of the application.

Dated in Calgary, Alberta, on January 12, 2010.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

G. Eynon, P.Geol. Presiding Member

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G. J. Miller Board Member

<original signed by>

J. G. Gilmour, LL.B. Acting Board Member