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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

SINOPEC DAYLIGHT ENERGY LTD. APPLICATION FOR A WELL LICENCE PEMBINA FIELD

2012 ABERCB 006 Application No. 1623169

DECISION

[1] The Energy Resources Conservation Board (ERCB/Board) has accepted the applicant's request to withdraw Application No. 1623169 and will not be scheduling a public hearing.

APPLICATION

- [2] Sinopec Daylight Energy Ltd. (Daylight) applied to the ERCB, in accordance with Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a directional well from a surface location in Legal Subdivision (LSD) 16, Section 5, Township 50, Range 6, West of the 5th Meridian, to a projected bottomhole location in LSD 12-4-50-6W5M. The maximum hydrogen sulphide (H₂S) concentration was anticipated to be about 211.5 moles per kilomole (21.15 per cent) and the cumulative drilling H₂S release rate was anticipated to be 1.51 cubic metres per second, with a corresponding emergency planning zone of 2.11 kilometres (km). The purpose of the well was to obtain oil production from the Nisku Formation. The proposed well would have been located about 7.7 km east of the Hamlet of Rocky Rapids.
- [3] Objections to the application were filed by Robert Domke, Susan Kelly, Lil Duperron, Linda McGinn, and Grizzly Resources Ltd.

DISCUSSION

- [4] The Board was in the process of scheduling a public hearing in Drayton Valley, Alberta, before Board Members Brad McManus, Q.C. (Presiding Member), Alex Bolton, P.Geol., and Terry Engen.
- [5] On February 1, 2012, Daylight notified the ERCB that it was withdrawing Application No. 1623169, pursuant to Section 21 of the *Energy Resources Conservation Board Rules of Practice* (*Rules of Practice*). The Board accepts the withdrawal of the application.
- [6] Accordingly, a public hearing will not be held.
- [7] The Board notes that on February 2, 2012, Daylight notified the ERCB that it was withdrawing Application No. 1657852, pursuant to Section 21 of the *Rules of Practice*, which was for another well in Section 5. That well was proposed to be located in LSD 11-5-50-6W5M, with a projected bottomhole location in LSD 1-7-50-6W5M. The Board accepts the withdrawal of the application.

Dated in Calgary, Alberta, on February 13, 2012.

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Brad McManus, Q.C. Presiding Member