

## **2019 ABAER 012**

### **Encana Corporation Application For Acid Gas Disposal Wembley Field Application 1911974**

#### **Decision**

[1] After a short adjournment of the hearing, Encana Corporation (Encana) and Canadian Natural Resources Ltd. (Canadian Natural) were able to come to an agreement to resolve Canadian Natural's concerns with Encana's application. Therefore, the AER determined that a hearing for application 1911974 was no longer necessary and cancelled the hearing. The AER has directed that the application be referred back to authorized AER staff for disposition.

#### **Discussion**

[2] Encana applied pursuant to section 39(1)(d) of the *Oil Sands Conservation Act* for approval of an acid gas disposal scheme in the Belloy aquifer about 30 kilometres northwest of Grande Prairie, Alberta. The disposal would be through a horizontal well in the Wembley Field. The well has a surface location at Legal Subdivision (LSD) 9, Section 21, Township 73, Range 9, West of the 6th Meridian, and a bottomhole location at LSD 16-17-073-09W6M. Encana sought approval for a maximum injection rate of 530 000 cubic metres (m<sup>3</sup>) per day and a cumulative acid gas volume of 2.320 10<sup>9</sup> m<sup>3</sup> under standard conditions.

[3] The AER issued a notice of hearing for the application on February 21, 2019.

[4] The AER panel of hearing commissioners assigned to the hearing received requests to participate in the hearing from Husky Oil Operations Limited (Husky) and Canadian Natural. On March 20, 2019, the panel granted Husky and Canadian Natural full participation rights.

[5] The AER issued a notice of scheduling of hearing on May 24, 2019. The public hearing was scheduled to take place at Calgary, Alberta, on September 24, 2019, before hearing commissioners C. Low (presiding), T. Stock, and B. Zaitlin.

[6] The hearing panel held a prehearing meeting with the parties' counsel on April 25, 2019, and thereafter instituted a formal extensive information exchange process that included information requests sent to the parties from the AER.

[7] Husky withdrew its statement of concern and request to participate on August 22, 2019. The panel accepted the withdrawal.

[8] On September 24, 2019, the AER opened the oral public hearing for application 1911974 as scheduled. At the opening of the hearing, Encana and Canadian Natural advised the panel that they had been in active negotiations and were close to reaching formal resolution. They requested an adjournment until midday for additional time to complete their negotiations. During the adjournment, they made an agreement to resolve Canadian Natural's concerns with Encana's application. As a result, Canadian Natural submitted a request to withdraw its statement of concern and request to participate in the hearing.

[9] The panel accepts Canadian Natural's withdrawal and in light of the hearing record developed before the oral hearing opened, the panel has determined that it is no longer necessary to hold the hearing. The hearing was cancelled on September 24, 2019.

Dated in Calgary, Alberta, on September 26, 2019.

**Alberta Energy Regulator**

C. Low

Presiding Hearing Commissioner