

Appendix J Special Well Spacing Notification Template Examples

Lessees and Unleased Freehold Notification Letter

Leased Individual Freehold Notification Letter

*Notification letters are not to be submitted with the
application unless requested by the AER.*

Lessees and Unleased Freehold Notification Letter

[Date]

Dear [Sir/Madam]:

[APPLICANT NAME]

[SPECIAL [GAS/OIL] WELL SPACING]

[FIELDS]

[FORMATIONS/POOLS]

[DLS LAND DESCRIPTION]

[Applicant/Consultant on behalf of Applicant] will be applying to the Alberta Energy Regulator (AER) under [section] of the *Oil and Gas Conservation Act* [and/or] [section] of the *Oil and Gas Conservation Rules* to change the subsurface well spacing for the production of [gas/oil] from the [formations/pools] in the noted lands [list lands in the above title and/or provide attachment/map]. AER Directive 065: *Resources Applications for Oil and Gas Reservoirs* requires that all mineral owners within the applied-for formation in the area of application and one (1) drilling spacing unit (DSU) surrounding the area of application receive notification of a well spacing application.

[Applicant/Consultant on behalf of Applicant] proposes that within the area of application, the existing [gas/oil] well spacing be changed from [the current spacing in place] to the following:

Example 1: Holding

Establish a holding constituting [DLS land description] for the production of [gas/oil] from the [applied-for formations/pools] subject to:

A producing well will be at least [X] metres from the boundaries of the holding.

There will be a maximum of [X] producing wells per pool per [DSU size].

A producing well will be at least [X] metres from other wells producing from the same pool. (Only applicable if requesting an interwell distance.)

The following well UWIs [XX/XX-XX-XXX-XX-WX] will be exempt from the [buffer zone and/or interwell distance].

Example 2: Rescind Special DSUs

Re-establish standard drilling spacing units in accordance with Part 4 of the *OGCR* of [DSU size] [and if applicable orientation], with the target area being [target areas] for the production of [oil/gas] in the [applied-for formations/pools] in [DLS land description].

[Brief Discussion of Reason for Application]

Any concerns and/or questions regarding this application are to be directed to [applicant contact person and phone number]. You may also send your concerns in writing to [applicant's address] or by fax or e-mail within 15 business days of receiving this letter. [Applicant] will contact you to discuss your concerns. Should your concerns remain unresolved, they will be included as a submission to the application when filed with the AER.

Under section 13 of the *Alberta Energy Regulator Rules of Practice*, all documents filed with the AER in connection to an application must be placed on the public record, which may be accessible on the Internet. As such, you should not include any confidential or sensitive personal information (e.g., health issues, financial position, family issues) in documents submitted to us or the AER that you do not want to appear on the public record. However, any party may, before filing the document, submit a request to the AER for confidentiality of documents under section 13(2). The AER may grant a request for confidentiality on any terms it considers appropriate, subject to the *Freedom of Information and Protection of Privacy Act*.

In the absence of a response to this letter within 15 business days of receiving it, we will proceed to file the application with the AER.

After the application has been registered with the AER, copies can be obtained by contacting the undersigned or can be viewed electronically by accessing the IAR Query under Systems & Tools on the AER website at www.aer.ca.

Any questions regarding the AER process should be directed to the AER Customer Contact Centre at 403-297-8311 or 1-855-297-8311 (toll free).

Yours truly,

[Applicant]

Leased Individual Freehold Notification Letter

[Date]

Dear [Sir/Madam]:

[APPLICANT NAME]

[SPECIAL [GAS/OIL] WELL SPACING]

[FIELDS]

[FORMATIONS/POOLS]

[DLS LAND DESCRIPTION]

[Applicant/Consultant on behalf of Applicant] will be applying to the Alberta Energy Regulator (AER) under [section] of the *Oil and Gas Conservation Act* [and/or] [section] of the *Oil and Gas Conservation Rules* to change the subsurface well spacing for the production of [gas/oil] from the [formations/pools] in the noted lands [list lands in the above title and/or provide attachment/map].

Records indicate that you are a Freehold mineral owner in [DLS land description] and your minerals are leased to [Company]. AER *Directive 065: Resources Applications for Oil and Gas Reservoirs* requires that all Freehold mineral owners within the applied-for formations in the area of application and one (1) drilling spacing unit (DSU) surrounding the area of application whose rights are leased receive notification of the subject application. The purpose of this notification is to provide you with information regarding potential development and to support ongoing dialogue between you and the lessee of your minerals.

[Applicant/Consultant on behalf of Applicant] proposes that within the area of application the existing [gas/oil] well spacing be changed from [the current spacing in place] to the following:

Example 1: Holding

Establish a holding constituting [DLS land description] for the production of [gas/oil] from the [applied-for formations/pools] subject to:

A producing well will be at least [X] metres from the boundaries of the holding.

There will be a maximum of [X] producing wells per pool per [DSU size].

A producing well will be at least [X] metres from other wells producing from the same pool. (Only applicable if requesting an interwell distance.)

The following well UWIs [XX/XX-XX-XXX-XX-WX] will be exempt from the [buffer zone and/or interwell distance].

Example 2: Rescind Special DSUs

Re-establish standard drilling spacing units in accordance with Part 4 of the *OGCR* of [DSU size] [and if applicable orientation], with the target area being [target areas] for the production of [oil/gas] in the [applied-for formations/pools] in [DLS land description].

[Brief Discussion of Reason for Application]

The lessee of your minerals has also been notified of this application. Therefore, if you have any questions regarding the effect of this application on your interests, please contact your lessee. If discussions between you and your lessee do not address your concerns, please clearly state your concerns in writing to the undersigned at [applicant's address] or by fax or e-mail within 15 business days from the date you receive this letter. Your concerns will be included as a submission to the application when filed with the AER.

OR

As [Company] is the lessee of your offsetting minerals in [DLS land description], should you have questions regarding the effect of this application on your minerals, please contact [applicant contact person and phone number]; you may also send your concerns in writing to [applicant's address] or by fax or e-mail within 15 business days from the date you receive this letter. If discussions do not address your concerns, they will then be included as a submission to the application when filed with the AER.

Under section 13 of the *Alberta Energy Regulator Rules of Practice*, all documents filed with the AER in connection to an application must be placed on the public record, which may be accessible on the Internet. As such, you should not include any confidential or sensitive personal information (e.g., health issues, financial position, family issues) in documents submitted to us or the AER that you do not want to appear on the public record. However, any party may, before filing the document, submit a request to the AER for confidentiality of documents under section 13(2). The AER may grant a request for confidentiality on any terms it considers appropriate, subject to the *Freedom of Information and Protection of Privacy Act*.

After the application has been registered with the AER, copies can be obtained by contacting the undersigned or can be viewed electronically by accessing the IAR Query under Systems & Tools on the AER website at www.aer.ca.

Any questions regarding the AER process should be directed to the AER Customer Contact Centre at 403-297-8311 or 1-855-297-8311 (toll free).

Yours truly,

[Applicant]

