

Ravenwood Energy Corp.

Applications for a well, pipeline and facility Pembina Field

Cost Awards

June 11, 2013

ENERGY RESOURCES CONSERVATION BOARD

Energy Cost Order 2013-00X: Ravenwood Energy Corp., Applications for well, pipeline and facility - Pembina Field

June 11, 2013

Published by

Energy Resources Conservation Board Suite 1000, 250 5 – Street SW Calgary, Alberta T2P 0R4

Telephone: 403-297-8311

Fax: 403-297-7040

E-mail: infoservices@ercb.ca Web site: www.ercb.ca

CONTENTS

Introduction	1
Background	
Cost Claim	
Views of the Board—Authority to Award Costs and Date From Which Costs Shall be Considered	1
Cost Claim of Patrick and Lori Blatz	2
Views of Ravenwood	
Views of Patrick and Lori Blatz	
Views of the Board	
Order	3
Appendix A - Summary of Costs Claimed and Awarded	Δ

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

RAVENWOOD ENERGY CORP. APPLICATION FOR WELL, PIPELINE AND FACILITY PEMBINA FIELD

Energy Cost Order 2013-003 Application Nos. 1726361, 1740226 and 1745277 Cost Application Nos. 1759641

INTRODUCTION

Background

- [1] Ravenwood Energy Corp. (Ravenwood) submitted an application in accordance with Section 2.020 of the *Oil and Gas Conservation Regulations* for a licence to drill a well from a surface location in Legal Subdivision (LSD) 5, Section 19, Township 48, Range 1, West of the 5th Meridian. Ravenwood also submitted applications in accordance with Part 4 of the *Pipeline Act* and with Section 7.001 of the *Oil and Gas Conservation Regulations* for approval to construct and operate a pipeline and for a multiwell oil satellite to handle production from the proposed well.
- [2] Objection to the Applications were filed by Patrick & Lori Blatz.
- [3] On January 25, 2013, the Board issued notice of a hearing to be held on April 16, 2013.
- [4] On March 25, 2013, the applicant notified the ERCB that it was withdrawing its Applications, pursuant to Section 21 of the Energy Resources Conservation Board Rules of Practice. The Board agreed to the request and cancelled the public hearing.

Cost Claim

- [5] On April 5, 2013, Patrick and Lori Blatz filed a costs claim in the amount of \$10 288.39.
- [6] The Board considers the cost process to have closed on May 2, 2013.

VIEWS OF THE BOARD—AUTHORITY TO AWARD COSTS AND DATE FROM WHICH COSTS SHALL BE CONSIDERED

Authority to Award Costs

- [7] In determining local intervener costs, the Board is guided by its enabling legislation, in particular by section 28 of the ERCA, as follows:
 - 28(1) In this section, "local intervener" means a person or a group or association of persons who, in the opinion of the Board,
 - (a) has an interest in, or
 - (b) is in actual occupation of or is entitled to occupy

land that is or may be directly and adversely affected by a decision of the Board in or as a result of a proceeding before it, but, unless otherwise authorized by the Board, does not include a person or group or association of persons whose business includes the trading in or transportation or recovery of any energy resource.

[8] When assessing costs, the Board is guided by Part 5 of the *Rules* and Appendix E: Scale of Costs in ERCB *Directive 031: Guidelines for Energy Proceeding Cost Claims (Directive 031)*.

Subsection 57(1) of the *Rules* states:

- 57(1) The Board may award costs, in accordance with the scale of costs, to a participant if the Board is of the opinion that
 - (a) the costs are reasonable and directly and necessarily related to the proceeding, and
 - (b) the participant acted responsibly in the proceeding and contributed to a better understanding of the issues before the Board.

COST CLAIM OF PATRICK AND LORI BLATZ

[9] Patrick and Lori Blatz were represented by Ackroyd LLP. On April 5, 2013, they filed a cost claim for legal fees of \$9711.00, disbursements of \$87.47, GST of \$489.92 for a total amount of \$10 288.39.

Views of Ravenwood

[10] In its April 23, 2013 letter, Ravenwood respectfully submitted that, in this instance, the Board ought to use its discretion to determine the costs payable in respect of the above-referenced cost application with reference to the guidance provided in Part 5 of the *Energy Resources Conservation Board Rules of Practice* and *Directive 031: Guidelines for Energy Proceeding Cost Claims*.

Views of Patrick and Lori Blatz

[11] The Blatzes replied by letter, dated May 2, 2013, agreeing with Ravenwood's submission that the Board ought to use its discretion to determine costs payable in respect of their cost application.

Views of the Board

[12] The Board notes that Ravenwood did not raise concerns with the amounts with the cost application. The Board has reviewed the cost application and finds that the claimed costs are in accordance with Part 5 of the *Rules of Practice* and Directive 031. Accordingly, the Board awards the claimed costs in their entirety.

ORDER

[13] The Board hereby orders that Ravenwood pay local intervener costs to the Blatzes in the amount of \$9798.47 and GST in the amount \$489.92 for a total of \$10 288.39. This amount must be paid to Ackroyd LLP as the submitter of the claim at

Ackroyd LLP 1500 First Edmonton Place 10665 Jasper Avenue Edmonton AB T5J 3S9

Dated in Calgary, Alberta, on June 11, 2013.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

Brad McManus, Q.C. Presiding Member

<original signed by>

G. Eynon, P. Geo. Board Member

<original signed by>

T. L. Watson, P. Eng Board Member

APPENDIX A - SUMMARY OF COSTS CLAIMED AND AWARDED

This appendix is not available on the ERCB website. To order a copy of this appendix, contact ERCB Information Services toll-free at 1-855-297-8311.