

Bearspaw Petroleum Ltd.

Application for Compulsory Pooling Lessard Field

March 21, 2006

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2006-029: Bearspaw Petroleum Ltd., Application for Compulsory Pooling, Lessard Field

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Alberta Energy and Utilities Board 640 – 5 Avenue SW Calgary, Alberta T2P 3G4

Telephone: (403) 297-8311 Fax: (403) 297-7040

Web site: www.eub.gov.ab.ca

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

BEARPAW PETROLEUM LTD.
APPLICATION FOR COMPULSORY POOLING
LESSARD FIELD

Decision 2006-029 Application No. 1422652

DECISION

The Alberta Energy and Utilities Board has considered the findings and recommendations set out in the following examiner report and adopts the recommendations.

DATED at Calgary, Alberta, on March 21, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

(Original signed by)

M. N. McCrank, Q.C., P.Eng. Chairman

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING
BEARSPAW PETROLEUM LTD.
APPLICATION FOR COMPULSORY POOLING
LESSARD FIELD

Decision 2006-029 Application No. 1422652

1 DECISION

The examiners recommend that the hearing scheduled to consider Application No. 1422652 be cancelled and that the request to withdraw the application be approved, in accordance with Section 20 of the *Alberta Energy and Utilities Board Rules of Practice*.

1.1 Application

Bearspaw Petroleum Ltd. (Bearspaw) applied to the Alberta Energy and Utilities Board (EUB/Board), pursuant to Section 80 of the *Oil and Gas Conservation Act*, for an order prescribing that all tracts within the drilling spacing unit constituting Section 25 of Township 123, Range 18, West of the 5th Meridian (Section 25) be operated as a unit for the production of gas from the Slave Point and Sulphur Point Formations by re-entering the well with the unique identifier of 00/13-25-123-18W5/0.

Bearspaw, which acquired the Crown gas rights for the Slave Point and Sulphur Point Formations for the south half and northwest quarter of Section 25, indicated that it filed the application because it had been unsuccessful in its attempts to negotiate a mutually satisfactory voluntary pooling or other arrangement with a lessee of Slave Point and Sulphur Point gas in the section.

1.2 Hearing

The application was scheduled to be considered at a public hearing in Calgary, Alberta, commencing March 23, 2006, before Board-appointed examiners R. J. Willard, P.Eng., W. Elsner, P.Geol., and G. A. Habib.

2 DISCUSSION

The EUB issued a Notice of Hearing for the subject application on January 26, 2006. Subsequent to the issuance of the notice, the parties involved entered into further negotiations and resolved the matter that had resulted in the filing of the application. Bearspaw no longer required the compulsory pooling order, and accordingly it filed a notice of withdrawal of its application by e-mail dated February 28, 2006.

As the matter giving rise to the application has now been resolved and the applicant has requested to withdraw the application, there is no longer any need for the public hearing or for any further process respecting the application. The examiners therefore recommend that the hearing be cancelled and that the request to withdraw the application be approved.

Dated in Calgary, Alberta, on March 21, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

(original signed by)

R. J. Willard, P.Eng. Presiding Member

(original signed by)

G. A. Habib

(original signed by)

W. Elsner, P.Geol.