

# **Koch Exploration Canada Corporation**

Application to Shut in Bluesky-Gething Gas Production Peace River Oil Sands Area

July 4, 2006

## ALBERTA ENERGY AND UTILITIES BOARD

Decision 2006-066: Koch Exploration Canada Corporation, Application to Shut in Bluesky-Gething Gas Production, Peace River Oil Sands Area

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#### ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

KOCH EXPLORATION CANADA CORPORATION APPLICATION TO SHUT IN BLUESKY-GETHING GAS PRODUCTION PEACE RIVER OIL SANDS AREA

Decision 2006-066 Application No. 1378856

#### 1 DECISION

The withdrawal of Application No. 1378856 by Koch Exploration Canada Corporation (Koch) is approved in accordance with Section 20 of the *Alberta Energy and Utilities Board Rules of Practice*, and consequently a hearing will not be held on the application.

# 1.1 Application

Koch applied to the Alberta Energy and Utilities Board (EUB/Board) under Section 3(5) of the *Oil Sands Conservation Regulation* for the shut-in of Bluesky-Gething gas production from well 00/10-06-086-17W5/0 (the 10-6 well). Koch was concerned that continued gas production from the 10-6 well would further negatively impact its ability to develop its oil sands rights economically.

## 1.2 Hearing

In EUB *Bulletin 2006-14*,<sup>1</sup> the Board indicated that it was going to conduct a hearing on Koch's application. A panel consisting of Board Member J. D. Dilay, P.Eng., and Acting Board Members C. A. Langlo, P.Geol., and R. J. Willard, P.Eng., was assigned to deal with the application and hearing.

#### 2 DISCUSSION

The EUB issued a Notice of Prehearing Meetings for the subject application and two other applications in the Cold Lake Oil Sands Area on April 25, 2006, which indicated that the Board was going to hold prehearing meetings on May 25, 2006, subject to submissions from interested parties being received on May 11 and May 18, 2006. Koch submitted that it believed its request to shut in the 10-6 well was moot since the well was now watering out. As a consequence, Koch withdrew its application and submitted that there was no requirement for a hearing.

With the withdrawal of the subject application, the Board finds no need to continue the scheduled hearing process. However, since Koch's application raised a bitumen conservation issue, the EUB will assess, as part of its normal business, whether there is any outstanding bitumen conservation issue due to continued Bluesky-Gething gas production from the 10-6 well.

<sup>&</sup>lt;sup>1</sup> Bulletin 2006-14: Bitumen Conservation: Cold Lake Oil Sands Area—Clearwater Deposit, and Peace River Oil Sands Area—Bluesky-Gething Deposit, April 4, 2006.

Dated in Calgary, Alberta, on July 4, 2006.

### ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>

J. D. Dilay, P.Eng. Board Member

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C. A. Langlo, P.Geol. Acting Board Member

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R. J. Willard, P.Eng. Acting Board Member