

Fox Creek Petroleum Corp.

Application for a Well Licence Provost Field

August 14, 2007

Alberta Energy and Utilities Board

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2007-064: Fox Creek Petroleum Corp., Application for a Well Licence, Provost Field

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ALBERTA ENERGY AND UTILITIES BOARD Calgary Alberta

FOX CREEK PETROLEUM CORP. APPLICATION FOR A WELL LICENCE PROVOST FIELD

Decision 2007-064 Application No. 1485521

DECISION

The Alberta Energy and Utilities Board (EUB/Board) has considered the findings and recommendations set out in the following examiner report, adopts the recommendations, and directs that Application No. 1485521 be approved.

Dated in Calgary, Alberta, on August 14, 2007.

ALBERTA ENERGY AND UTILITIES BOARD

[Original signed by]

B. T. McManus, Q.C. Acting Chairman

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

EXAMINER REPORT RESPECTING FOX CREEK PETROLEUM CORP. APPLICATION FOR A WELL LICENCE PROVOST FIELD

Decision 2007-064 Application No. 1485521

1 RECOMMENDATION

Having considered the application, the examiner panel recommends cancellation of the hearing to consider this matter and that Application No. 1485521 be approved.

2 INTRODUCTION

2.1 Application

Fox Creek Petroleum Corp. (Fox Creek) applied to the EUB, pursuant to Section 2.020 of the *Oil* and Gas Conservation Regulations, for a licence to drill a vertical gas well from a surface location of Legal Subdivision 15, Section 17, Township 34, Range 5, West of the 4th Meridian. The maximum hydrogen sulphide (H₂S) concentration expected to be encountered by the well is 32.5 moles per kilomole (3.25 per cent). The cumulative drilling H₂S release rate of the proposed well is expected to be 0.073 m^3 /s, with a corresponding emergency planning zone for drilling of 0.44 kilometres (km). The cumulative completion/servicing and suspended/producing H₂S release rates are expected to be 0 (zero) m³/s. The purpose of the well is to obtain gas production from the Rex Member. The proposed well is to be located about 9.5 km southwest of the Town of Monitor.

2.2 Intervention

Gould Ranching Ltd., whose owners are Charles Gould and Nora Gould, is the grazing leaseholder of the northeast quarter of Section 17-34-5W4M, where the well would be located. Gould Ranching Ltd. filed an intervention in opposition to approval of the subject application. It expressed concerns related to possible tankage on site, the effects of flaring on human health, loss of grass, impacts on grazing operations, native prairie, the environment and wildlife, noise, and water quality and quantity.

3 DISCUSSION

Fox Creek engaged in EUB-assisted facilitation with Gould Ranching Ltd., resulting in an agreement between the parties. Pursuant to its correspondence with the parties, the EUB understands that Gould Ranching Ltd. withdrew its objection as of July 26, 2007. The EUB has completed its review of the application and is satisfied that it meets all applicable EUB requirements. The examiner panel therefore recommends that the necessary approval be issued in due course.

Dated in Calgary, Alberta, on August 14, 2007.

ALBERTA ENERGY AND UTILITIES BOARD

[Original signed by]

R. L. Paulson, C.E.T. Presiding Member

[Original signed by]

B. A. Austin, P.Geol. Examiner

[Original signed by]

B. K. Eastlick, P.Eng. Examiner