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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

PROSPEX RESOURCES LTD.
APPLICATION FOR COMPULSORY POOLING
KAKWA FIELD

Decision 2010-034 Application No. 1651737

DECISION

The Energy Resources Conservation Board (ERCB/Board) has considered the recommendation made in the following examiner report, adopts the recommendation, and directs that Application No. 1651737 be closed and that the public hearing set down to consider the application be cancelled.

Dated in Calgary, Alberta, on November 1, 2010.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

Dan McFadyen Chairman

ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

PROSPEX RESOURCES LTD.
APPLICATION FOR COMPULSORY POOLING
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1 RECOMMENDATION

The examiner panel recommends that the Board accept the applicant's request to withdraw its application and cancel the public hearing.

2 APPLICATION

Prospex Resources Ltd. applied, pursuant to Section 80 of the *Oil and Gas Conservation Act*, for an order prescribing that all tracts within the drilling spacing unit comprising Section 27, Township 63, Range 4, West of the 6th Meridian, be operated as a unit for the production of gas from all zones from the base of the Cardium Formation to the base of the Spirit River Formation, through a well to be drilled in Legal Subdivision 3, and from three additional wells, with a maximum of four wells per pool per section.

An objection to the application was filed by Paramount Resources Ltd.

3 DISCUSSION

The Board was scheduled to hold a public hearing in Calgary, Alberta, on November 18, 2010, before Board-appointed examiners G. W. Dilay, P.Eng. (Presiding Member), D. L. Schafer, and B. C. Hubbard, P.Eng.

On October 20, 2010, the applicant notified the ERCB that it was withdrawing Application No. 1651737, pursuant to Section 21 of the *Energy Resources Conservation Board Rules of Practice*.

Dated in Calgary, Alberta, on November 1, 2010.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

G. W. Dilay, P.Eng. Presiding Member