
ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta**SIRIUS ENERGY INC.
APPLICATION FOR A WELL LICENCE
PEMBINA FIELD****2011ABERCB 034
Application No. 1673794**

DECISION

[1] The Energy Resources Conservation Board (ERCB/Board) received a withdrawal of objection from the intervening parties and, accordingly, canceled the public hearing. Based on its review, the Board finds that Application No. 1673794 meets ERCB requirements and hereby approves the application, subject to, in this instance, the following conditions:

- 1) Licensee shall resubmit to the ERCB for review and approval a copy of its finalized Drilling Plan as soon as it is available, but prior to commencement of drilling operations;
- 2) Licensee shall submit a Commencement of Drilling Operations notification to the ERCB Drayton Valley Field Centre via e-mail (draytonvalley.fieldcentre@ercb.ca) at least 48 hours prior to spudding the well;
- 3) Licensee shall provide 24 hours notification to the ERCB Drayton Valley Field Centre once surface casing is set following which an ERCB inspection will be conducted;
- 4) Licensee shall provide 24 hours notification to the ERCB Drayton Valley Field Centre in advance of a presour meeting so field staff can attend;
- 5) Prior to drilling out intermediate casing and entering any formations containing hydrogen sulphide (H₂S), licensee shall provide the ERCB Drayton Valley Field Centre with 48 hours notification and the ERCB will then conduct a pre drill out inspection.

APPLICATION

[2] Sirius Energy Inc. (Sirius) has applied, pursuant to Section 2.020 of the *Oil and Gas Conservation Regulations*, for a licence to drill a well from a surface location in Legal Subdivision 1, Section 4, Township 49, Range 5, West of the 5th Meridian. The purpose of the well would be to obtain crude oil production from the Nisku Formation. The maximum H₂S concentration would be 211.5 moles per kilomole (21.15 per cent) with a cumulative drilling H₂S release rate of 1.65 cubic metres per second. The corresponding emergency planning zone would be 1.07 kilometres (km). The proposed well would be located about 16 km northwest of Breton and about 29 km east of Drayton Valley.

[3] Objections to the application were filed by Allan Taylor and Dixie Taylor, Robert Rooyakkers, Peter Moody and Kari Moody, and Lyle Andersen and Gaye Andersen. The

interveners were represented by Jennifer Klimek. The parties engaged in a negotiation process before the hearing and reached an agreement.

DISCUSSION

[4] The Board was scheduled to hold a public hearing in Drayton Valley, Alberta, on November 1, 2011, before Board Members T. L. Watson, P.Eng. (Presiding Member), T. C. Engen, and R. McManus.

[5] On October 24, 2011, a withdrawal of objection was received by the ERCB from Jennifer Klimek on behalf of the intervening parties. Accordingly, the public hearing was cancelled.

[6] After the Board received the withdrawal of the objections of the intervening parties, the Panel canvassed further information from Sirius that it was unable to explore at the hearing as a result of the cancellation. Following its receipt and review of the information received from Sirius, the Panel exercised its discretion to include the aforementioned conditions.

Dated in Calgary, Alberta, on November 28, 2011.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

T. L. Watson, P.Eng.
Presiding Member

<original signed by>

R. C. McManus
Board Member

<original signed by>

T. C. Engen
Board Member