
MADE at the City of Calgary, in the
Province of Alberta, on

September 29, 2016

ALBERTA ENERGY REGULATOR

The Alberta Energy Regulator (AER), pursuant to the *Oil and Gas Conservation Act* (chapter O-6 of the Revised Statutes of Alberta, 2000) and the *Oil and Gas Conservation Rules (OGCR; AR 151/71)*, orders as follows:

- 1) Coalbed methane zones in the Edmonton and Belly River Groups (collectively referred to as zone) within the area outlined in appendix A of this order are subject to Subsurface Order No. 4 (order).
- 2) Notwithstanding sections 7.025, 11.102, and 11.145 of the *OGCR*, the following exemptions apply with respect to the zone within the area designated in clause 1:
 - a) A licensee is exempt from coalbed methane control well requirements unless otherwise prescribed by the regulator under *OGCR* sections 7.025 and 11.145.
 - b) A licensee is exempt from testing requirements set out in *Directive 040: Pressure and Deliverability Testing Oil and Gas Wells*.
- 3) Notwithstanding clause 2, licensees of a well completed in the zone within the area designated in clause 1 may be required at any time to conduct and provide data, reports, tests, interpretations, or other information, including performance reports, to enable sufficient review of the licensee's activity, resource characterization, and reservoir management pursuant to sections 11.005 and 11.006 of the *OGCR*.
- 4) Where a conflict arises between this order and a term or condition of an approval or licence, the term or condition of the approval or licence prevails.

This order does not in any way predetermine regulatory authorization of wells, pipelines, other production facilities, access roads, and other surface disturbances that may be associated with energy resource development of the zone within the area designated in clause 1. Surface energy resource activities and related land access are regulated separately under Alberta legislation administered by the AER and other provincial departments and municipal governments and must comply with *Alberta Land Stewardship Act* regional plans.

This order does not infer that the AER views the zone within the area designated in clause 1 above as productive with respect to mineral rights tenure. This matter is subject to Alberta Energy authority under the *Mines and Minerals Act*.

This order comes into effect on October 7, 2016.

Made at the City of Calgary, in the Province of Alberta, on September 29, 2016.

ALBERTA ENERGY REGULATOR

<original signed by>

Véronique Giry

Vice President, Industry Operations Branch

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Jim Jenkins

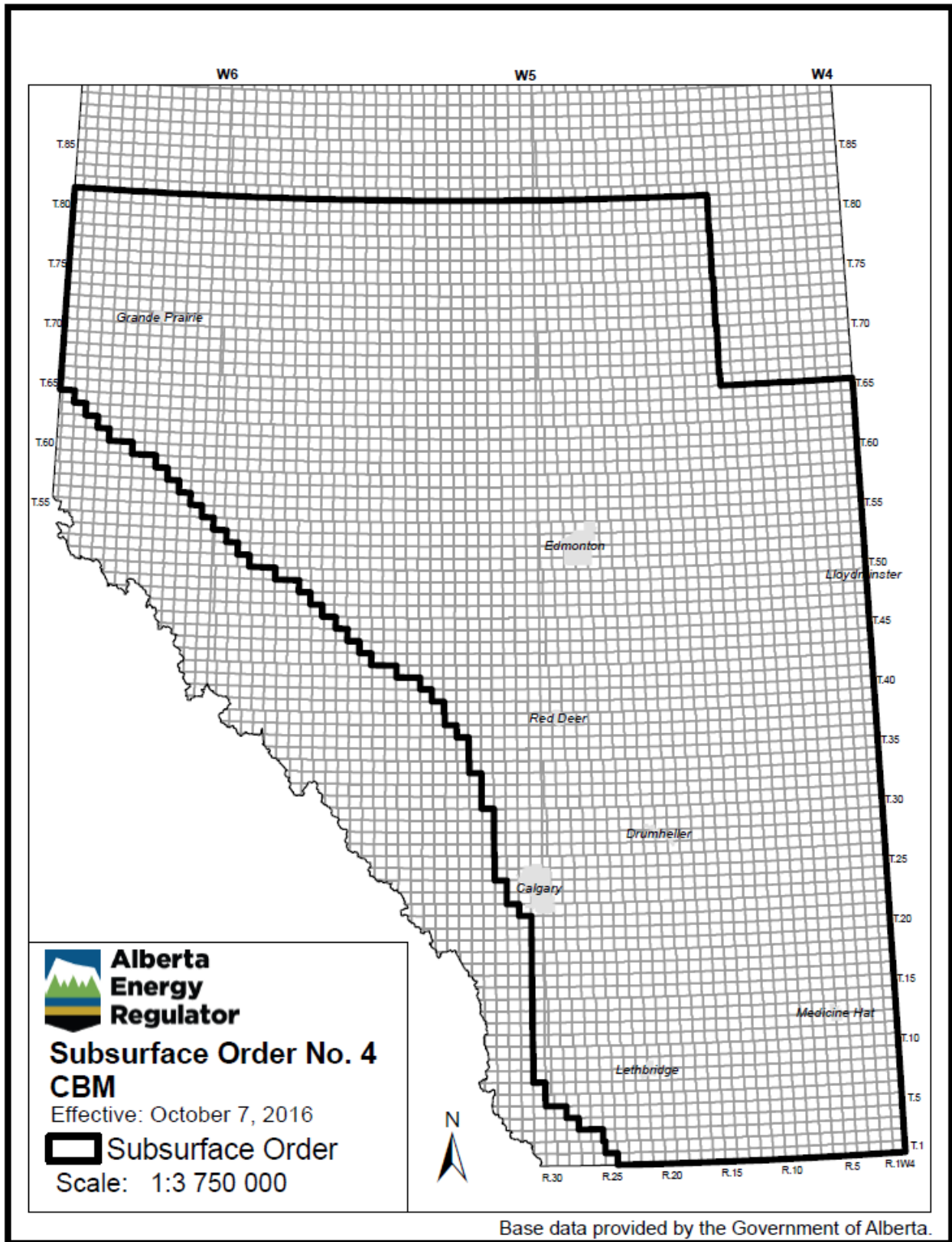
Director, Reserves Group, Reserves and Resources Branch

<original signed by>

Rob Borth

Director, Subsurface Authorizations Group (Oil and Gas), Authorizations Branch

Appendix A – Subsurface Order No. 4: Coalbed Methane



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