NuVista Energy Ltd.

Applications for Licences for Three Wells and a Multiwell Battery
Auburndale Field

November 28, 2006
NUVISTA ENERGY LTD.
APPLICATIONS FOR LICENCES FOR THREE
WELLS AND A MULTIWELL BATTERY
AUBURNALE FIELD

Decision 2006-115
Applications No. 1462015, 1463788, 1463794, and 1486500

1 DECISION

Having completed a review of the applications and noting receipt of withdrawal of objection from intervening parties, the Alberta Energy and Utilities Board (EUB/Board) hereby approves Applications No. 1462015, 1463788, 1463794, and 1486500.

2 INTRODUCTION

2.1 Applications

NuVista Energy Ltd. (NuVista) applied to the EUB, pursuant to Section 2.020 of the Oil and Gas Conservation Regulations, for approval to drill three wells from a surface location in Legal Subdivision (LSD) 9, Section 16, Township 47, Range 6, West of the 4th Meridian (9-16). The wells are to be directionally drilled from the 9-16 surface location to projected bottomhole locations in LSD 9-16-47-6W4M (Application No. 1462015), LSD 15-16-47-6W4M (Application No. 1463788), and LSD 16-16-47-6W4M (Application No. 1463794). The purpose of the three wells would be to obtain crude oil production from the Sparky Member. The maximum hydrogen sulphide concentration expected to be encountered would be 0.0 mole per kilomole (0.0 per cent), with no associated emergency planning zone.

NuVista applied, pursuant to Section 7.001 of the Oil and Gas Conservation Regulations, for approval to construct and operate a multiwell oil battery in LSD 9-16-47-6W4M, in the Auburndale field. The well site facility would consist of six 750-barrel oil emulsion tanks, three oil truck outs, and three water/sand truck outs. The purpose of the facility would be to measure production from the above proposed wells. The proposed wells and battery would be located about 22.6 kilometres (km) northeast of Wainwright.

2.2 Interventions

James B. Seale, who owns the land on which the proposed wells and battery would be located, filed an intervention in opposition to the subject applications. The concerns raised were substantially within the EUB’s jurisdiction.

In addition, an intervention in opposition to the subject applications was received from Lee Arthur, who owns land about 1.2 km west of the proposed development.
3 DISCUSSION

The Board had not issued a Notice of Hearing for the applied-for wells and associated battery, but had anticipated holding a public hearing. The Board has recently received confirmation that both of the parties named above have withdrawn their objections to the applications.

Given that there are no outstanding objections to Applications No. 1462015, 1463788, 1463794, and 1486500, the Board is satisfied that a hearing is not required to make a disposition on the applications.

Furthermore, the Board is satisfied that the applications are technically complete and compliant with all applicable EUB requirements. The Board hereby approves the applications and directs that the licences for the wells and the associated battery be issued in due course.

Dated in Calgary, Alberta, on November 28, 2006.

ALBERTA ENERGY AND UTILITIES BOARD

<original signed by>
Presiding Member

<original signed by>
R. J. Willard P.Eng.
Acting Board Member

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Acting Board Member