

# BRITISH COLUMBIA ENERGY COMMISSION

ORDER

NUMBER\_ COM-14-80

## PROVINCE OF BRITISH COLUMBIA

## BRITISH COLUMBIA ENERGY COMMISSION

IN THE MATTER OF the Energy Act RSBC 1979, c. 108

and

IN THE MATTER OF an Application by Sabine Canada Ltd. for an Order under Section 86.1

**BEFORE:** 

M. Taylor,	)			
Chairman;	ý			
D. B. Kilpatrick,	, )	August	15,	1980
Commissioner; and	)	-		
J. D. V. Newlands,	)			
Commissioner	, )			

#### ORDER

WHEREAS Sabine Canada Ltd. ("Sabine") applied May 27, 1980, for an Order of the Commission declaring the British Columbia Petroleum Corporation ("B.C.P.C.") a common purchaser of natural gas from the Willow Halfway B Pool; and

WHEREAS Sabine owns a well designated as IPEX

Cox Hamilton Willow d-47-H/94-H-2 located in the Willow area

which tested gas from the Willow Halfway B formation; and

WHEREAS pursuant to Order COM-9-80 the Commission considered the application at a public hearing in Vancouver on July 16, 1980 and August 14, 1980; and

WHEREAS from the evidence with respect to well pressures and the geology of the area, the Commission concludes that the Applicant's well is capable of production of natural gas from the Willow Halfway B Pool; and

WHEREAS it appears that Sabine has made reasonable efforts to arrange a gas sales contract with the B.C.P.C. without success; and

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WHEREAS the evidence further establishes that Sabine is suffering drainage of natural gas because of an inability to bring the said well into production.

NOW THEREFORE the Commission hereby orders as

#### follows:

- 1. The British Columbia Petroleum Corporation is declared a common purchaser of natural gas from the Willow Halfway B Pool effective with the date of this Order.
- 2. The well IPEX Cox Hamilton Willow d-47-H/94-H-2 is capable of production from the said pool.
- 3. The British Columbia Petroleum Corporation shall purchase gas from the said well subject to the following conditions:
  - The contract quantity applicable to the production of natural gas from the said well shall be the lesser of the volume determined on the basis of the ratio of the volumetric reserves underlying the spacing area of the said well to the sum of all the volumetric reserves underlying existing spacing areas of this well and other producing wells, or the actual production. The Ministry of Energy, Mines and Petroleum Resources has determined that the respective volumes of natural gas reserves underlying the said well and the producing well are 35.2  $10^6 \text{m}^3$  and 82.0  $10^6 \text{m}^3$ respectively, and these volumes shall be used to determine the contract quantity applicable to production from the wells in the Halfway B Pool, subject to subsection (b) of this Order.
  - (b) Compliance with this Order shall not require the British Columbia Petroleum Corporation to purchase natural gas from the Willow Halfway B Pool in a greater total amount or at a greater rate than required under gas purchase contracts for such Pool.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of August, 1980.

BY ORDER

Chairman '

Taylor

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