

TIPS

Compulsory Pooling

Coming to an agreement with your local mineral owners

This Month:

Compulsory Pooling

What it is and what to do if you need it

MetroPetro

Stelmach's vision for Alberta

Industry News

Alberta's Carbon Capture and Sequestration initiative

Staff Spotlight

Meeting Proven's Reservoir Engineering Supervisor

Kathryn Tingle

In order to produce gas from a drilling spacing unit, the entire DSU must have common ownership. Occasionally the parties in a DSU are unable to pool to achieve the required common ownership. The Crown does not want any DSU sterilized because the owners can't come to a pooling agreement. Therefore, a DSU owner can ask the ERCB to pool the DSU on a compulsory basis if necessary.

There are three reasons to make a Compulsory Pooling application to the ERCB. Firstly, the interested parties have attempted negotiations to voluntarily pool the DSU without success. These negotiations need to be significant and over a reasonable period of time. It is also expected that negotiations be continued after an application is made.

The second reason an application is required is when a tract owner is either missing or untraceable. In this case all revenues that would normally go to the missing owner are paid to the Public Trustee.



Coming to an agreement between mineral owners is an important factor in considering a compulsory pooling application.

A third reason the Board requires an application is for disputes over ownership rights within the tract. In such cases the Board will require that any revenues from the tract be held in trust until an order or settlement can be reached.

Proven has expertise in preparing and submitting Compulsory Pooling applications. We advise our clients on when to proceed with the application. In addition, we have both prepared applications for our clients and continued to assist in the negotiation process. Compulsory Pooling applications may go to a hearing and Proven is there to guide you through the whole process, offering hearing support, and technical expertise throughout the procedure.



The Plan for Capturing Carbon

With rising concerns about greenhouse gas emissions, the Alberta government has pledged \$2 billion towards the research, development, and implementation of Carbon Capture and Sequestration (CCS) in Albertan petroleum and electricity generation industries over the next 5 years.



CCS is the process by which carbon dioxide—one of the most common of the “greenhouse gases”—is captured and stored permanently in deep underground formations or used in enhanced mineral recovery.

The CCS initiative will be first implemented in industry partners’

coal and gas plants throughout the province, and are expected to reduce CO₂ emissions by five million tonnes by 2015.

The government’s CCS plan is a major portion of their plan to reduce greenhouse emissions to half by 2050.

Company News

Spotlight on Proven’s Senior Engineering Supervisor

Bill Winnick is Proven Reserves’ Reservoir Engineering Supervisor and has been with Proven Reserves since 2004.

Bill has called Calgary home for over 30 years after having moved here from Edmonton where he grew up.



worked in both producing and consulting capacities, and has been consulting for over 15 years.

In his spare time, Bill likes to visit his cabin in Invermere where he enjoys golfing and skiing. He also likes international travel, and golfing at various famous golf destinations.

Bill graduated in 1981 with his degree in Petroleum Engineering from Montana Tech. Since that time he has had extensive experience in reserves determinations, property evaluations, and ERCB Guide 65 Resource applications. He has

Bill says that his goals are to “provide the best consulting services for our clients” and semi-retirement in about 10 years.

Thanks Bill!

MetroPetro



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Upcoming Events

Petroleum Society 13th Annual Golf Tournament
August 25, 2008
Calgary, Alberta
www.petsoc.org

APEGGA Branch Event Annual Golf Tournament
Sept. 11, 2008
Calgary, Alberta
www.apegga.org

