



BRITISH COLUMBIA UTILITIES COMMISSION	
ORDER NUMBER	COM-8-81

PROVINCE OF BRITISH COLUMBIA

BRITISH COLUMBIA UTILITIES COMMISSION

IN THE MATTER OF the Utilities Commission
Act, SBC 1980, c. 60

and

IN THE MATTER OF an Application by Orbit
Oil & Gas Ltd. for an Order declaring the
British Columbia Petroleum Corporation a
common purchaser of natural gas in the
Boundary Lake North Halfway E Pool

BEFORE:	D.B. Kilpatrick,	)	
	Division Chairman;	)	
	J.D.V. Newlands,	)	
	Commissioner; and	)	May 28, 1981
	B.M. Sullivan,	)	
	Commissioner	)	

O R D E R

WHEREAS Orbit Oil & Gas Ltd. ("Orbit") applied
January 23, 1981 for an Order of the Commission declaring
the British Columbia Petroleum Corporation ("B.C.P.C.") a
common purchaser of natural gas from the Boundary Lake North
Halfway E Pool; and

WHEREAS pursuant to Order COM-4-81 the British
Columbia Utilities Commission ("the Commission") considered
the application at a public hearing in Vancouver on April 28,
1981; and

WHEREAS from the evidence with respect to well
pressures and the geology of the area, the Commission concludes
that the Applicant's well, Orbit et al N. Boundary 7-22-87-14 W6M,
is capable of production of natural gas from the Boundary Lake
North Halfway E Pool; and

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

WHEREAS the evidence further establishes that Orbit is suffering drainage of natural gas because of an inability to bring the subject 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 Boundary Lake North Halfway E Pool effective the date of this Order.
2. The Applicant's well, Orbit et al N. Boundary 7-22-87-14 W6M is capable of production from the said pool.
3. 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 daily gas allowable of the said well to the sum of the daily gas allowables determined for the Boundary Lake North Halfway E Pool, or the actual production capability. The term daily gas allowable refers to the volumetric allowable for natural gas wells and designated areas approved and issued from time to time by the Ministry of Energy, Mines and Petroleum Resources, exclusive of the minimum of 60,000 m³ set for some wells. The gas pool boundary is that determined by the said Ministry.
4. The effective date on which the said well is entitled to share in the production and revenues from the common pool shall be the date on which the Applicant has completed all required of him to effect delivery of specification gas from the new well. If within thirty days of this effective date, the Applicant has failed to negotiate actual connection and makes a common carrier application, the said application, if successful, will establish his entitlement to share in the production and revenues from the common pool as of the effective date.

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5. That portion of total pool production allocated to the new producer will be taken from the existing contracts in the pool in such proportions as will maintain the relative share of pool production of each existing producer prior to the effective date applicable to the new producer, by such method and timing as may be agreed upon by the interested parties to achieve that result.
6. If within three months of the effective date, existing producers in the pool and the B.C.P.C. are unable to all agree on a satisfactory method of reducing the gas volume purchase obligation of existing contracts in the pool, the B.C.P.C. shall reduce each of the existing contracts providing for delivery of gas from the pool by a percentage of the maximum volume of gas which B.C.P.C. is obliged to purchase each day or each year (whichever is specified in the contract) applicable to the lands within the Pool. The percentage shall be the same as the percentage which the daily gas allowables of the well of the new producer is of the total of the daily gas allowables for the Pool. The effective date for all reductions to contracted volumes shall be the same effective date as determined for the new producer.
7. Where the new well, Orbit 7-22, proves unable to produce the gas volume allocated, the volume which the well fails to deliver shall be reallocated back to the producers whose contracts were reduced to accommodate the new well. Such reallocations will be made so as to maintain the relative share of pool production of each existing producer prior to the effective date applicable to the new well, by such method and timing as may be agreed upon by the interested parties to achieve that result.
8. Compliance with this Order shall not require the British Columbia Petroleum Corporation to purchase natural gas from the Boundary Lake North Halfway E 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 28th day of May, 1981.

BY ORDER

D.B. Kilpatrick
Division Chairman



NOTICE OF PUBLIC HEARING

Westgrowth Petroleums Ltd., owner of a well in the Baldonnel Jedney and Halfway Jedney Pools, Westgrowth et al Jedney b-50-F/94-G-8, has filed an application under Section 83(1) of the Utilities Commission Act, SBC 1980, for an Order declaring the British Columbia Petroleum Corporation a common purchaser of natural gas from the Baldonnel Jedney and Halfway Jedney Pools.

The Application will be heard commencing at 10:00 a.m., local time on September 17, 1981, in the Hearing Room of the British Columbia Utilities Commission, 21st Floor, 1177 West Hastings Street, Vancouver, B.C., V6E 2L7.

Interested persons may obtain a copy of the application by contacting:

Mr. J.W. Stephure
Production Manager
Westgrowth Petroleums Ltd.
708-324-8th Avenue S.W.
Calgary, Alberta
T2P 2Z2

Any persons proposing to intervene in the hearing of the application should file copies of an Intervention stating the nature of the interest and the proposed disposition of the application; five copies of the Intervention should be filed with the Commission and one copy with the Applicant, not later than August 27, 1981.

A handwritten signature in cursive script, appearing to read "D. Leach".

D. Leach
Secretary