

TIPS

This Month:

Application Richter Scale

Proven's new method of gauging Alberta applications

MetroPetro

Stelmach assures Alberta he knows where he's going

Staff Spotlight

Technical sales team welcomes engineer

ERCB Eyes Difficult Approvals

Richter Scale Prediction for Alberta Applications

Granger J. Low

ERCB applications have just become more difficult and costly. And Proven Reserves has a new tool to help gauge approval.

Even fairly common gas spacing applications have become more intense.

And bigger applications will be even worse due to recent changes at the Alberta Board.

The ERCB is changing the way they review regulatory applications in two ways. They want a higher standard of engineering content. They now consider approvals on smaller formation packages.

Applications in the near future will be come more difficult, costly and time consuming to prepare.

Last September and October the ERCB approved application for large land areas and multiple zones.

**"The EUB isn't writing blank cheques."
Bill Winnick**

But that was last year. Just in the last few months the Board has become much more judicious about what information they will accept in support of applications.

The ERCB sees some application elements as problematic according to Terry Able, Manager of the applications group.

Bigger land area, multiple zones, higher well density, and less segregated well control all make applications more difficult to approve.

The bigger area in your application, the more difficult the ERCB finds to process it. They don't want to give away too much approval all at once.



"The EUB isn't writing blank cheques," says Bill Winnick, Proven's regulatory engineering supervisor.

Proven Reserves has developed a Richter scale to estimate how difficult ERCB applications will be to get approved. Like the familiar earthquake scale, Proven's Richter scale describes the magnitude of the application and how it's likely to

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Application Richter Scale

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affect the ERCB analysts that receive it.

The ERCB applications group is currently designing and testing a new EAS (Electronic Application System) inter-



face that they say will ensure applications are easier for them to process. Rumor says that the new EAS will weed out applications that don't have enough detailed information to support them.

Company News

Engineer finds a home with the Sales Team

Proven Reserves is pleased to announce the appointment of reservoir engineer in training Dustin Jones to our technical sales department.

Dustin brings with him 6 years of experience in reservoir engineering and field operations, both domestically and internationally with companies like Enbridge Pipelines and Schlumberger, as well as his experience with Proven's own engineering team.

Originally from Kindersley, Saskatchewan, Dustin has studied here in Canada, as well as in England, before graduating from



the University of Saskatchewan in engineering.

Now a member of SPE and APEGGA, Dustin has experience in various areas including economics evaluations, risk analysis, development and feasibility studies, volumetrics, petrophysics, and pressure transient analysis, among others.

In his spare time, Dustin enjoys jogging and playing squash.

Dustin says that he wants to listen to our clients' needs in order to implement the optimal exploitation strategy in accordance with their unique visions.

MetroPetro



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Upcoming Events

SPE Technical Luncheon
Application of Low Viscosity Fluids to
Hydraulic Fracturing
Mar. 13, 2008
Calgary, Alberta
www.speca.ca

**11th annual SPE/ICoTA Coiled
Tubing and Well Intervention
Conference & Exhibition**
Mar. 31 - Apr. 2, 2008
The Woodlands, Texas
www.spe.org

Petroleum Society
Slugging it Out XVI
Apr. 14, 2008
Calgary, Alberta
www.petsoc.org

