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SDC Selected For Devon Beaufort Well

By Elsie Ross

Devon Canada Corporation has opted for a steel drilling caisson (SDC) rather than an ice island next winter when it spuds the first well offshore Beaufort Sea in 15 years.

The company believes use of the SDC will give it greater control over the outcome, **Michel Scott**, vice-president of government and industry relations, said in an interview. In its comprehensive study report filed with regulatory authorities, Devon estimates the SDC potentially will provide a four-month drilling season compared to two months for an ice island.

A former crude oil tanker, the SDC has been converted into a certified mobile arctic drilling platform and has previously been used successfully to drill exploration wells in the Beaufort. A special steel base will enable the SDC to be set directly on the ocean floor. A grounded ice pad also would be build adjacent to the platform to increase sliding resistance and to provide a platform for a relief well if necessary.

In a letter to the **National Energy Board**, Federal Environment Minister **Stephane Dion** said he has concluded that with appropriate mitigation the project is not likely to cause significant adverse environment effects and that no further assessment by a review panel or mediator is warranted. However, Devon will still require final regulatory approvals, said Scott.

The \$50 million to \$60 million well, the first in a planned four-well program, will be drilled in the Paktoa/Tiggak area on the western area D of the exploration licence. Devon plans to drill in about 40 feet of water to a depth of about 2 000 metres. As the company is not exactly sure what it might encounter in terms of pressures, at first it will go to the top of the zone it is targeting and if the signs are encouraging will go deeper, said Scott. Devon expects to be able to complete the well next winter.

According to the terms of the exploration licence, Devon must then drill one well per year in each of the other three other exploration areas with the last well begun prior to Aug. 15, 2009.

Also in the Mackenzie Delta, **ChevronTexaco** with partner **BP Energy Canada** have drilled two legs of the Olivier well, one to a depth of 3 480 metres and the second to 2 977 metres. A third leg with a targeted depth of 3 140 metres is currently drilling, said spokesman **Ted Spearing**.

Earlier this past winter, ChevronTexaco completed testing on the Ellice I-48 well drilled in 2004 with partners BP and **Burlington Resources**. Two years ago, Chevron announced the North Langley K-30 discovery to the northeast with partners (one-third each) **BP Canada Energy Company** and **Burlington Resources Canada Ltd.**

Over the next two winters, ChevronTexaco plans to undertake a three-dimensional seismic program and could drill up to five exploratory wells in the Delta, he said.

EnCana Corporation and its partners, **Anadarko Canada Corporation** and **ConocoPhillips Canada**, who in 2004 drilled its first Delta well at Richards Island, returned to the Delta this year. The Umiak N-5 well was drilled to a depth of 3 549 metres

and the Umiak N-16 well drilled the previous winter was completed.

In the Central Mackenzie Valley near Tulita, **Northrock Resources** recently announced results of its successful Summit Creek B-44 well in which it has a 32.5% working interest. The well spudded in 2004 and was tested this winter. Two separate zones were perforated and tested for 18 and 39 hours, respectively. Each interval produced 10 mmcf per day of gas and than 3,000 bbls of light oil and condensate with flowing well head pressures of 900 - 1100 psi.

Other working interest owners in the B-44 well are **Husky Oil Operations Limited**, 29.48%; **EOG Resources Canada Inc.** 26.4%; and **Pacific Rodera Energy Inc.** 6.63% and **International Frontier Resources Corp.**, five per cent.

Northrock was less successful with the Sah Cho L-71, which was drilled to a total depth of 12,050 feet. International Frontier said the well tested a separate structural closure approximately five miles southeast of the Summit Creek B-44 well.

Although the well encountered hydrocarbons, it was suspended.

North of Norman Wells, **Apache Canada** and 50% partner **Paramount Resources Limited** drilled two exploratory wells at Lac Maunoir and two at Lake Turton targeting the basal Cambrian. The Lac Maunoir L-35 delineation well which was rig released March 19, was a follow-up to the Lac Maunoir C-34 well that the partners drilled, cased and tested last year. While Paramount earlier described the results of the initial well as "very positive," it would not release details. The Lac Maunoir A-67 well, which spudded Jan. 31. was listed as abandoned while the East Lac Maunoir L-80 exploratory well was completed.

At Turton Lake, the G-47 well was rig released April 5 after reaching 1 440.5 metres of a projected total depth of 1 856 metres. The Turton Lake L-23 well, which spudded March 15, was re-entered and rig released after achieving a depth of 551 metres on a projected depth of 1 925.5 metres.

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Apache and Paramount also production tested the Proterozoic basalt Nogha B-23 well this winter. The well, which was drilled, cased and completed as a Mount Clark sweet gas well in 2004, is approximately 10 kilometres south of two other successful Nogha gas wells.

Further south, NEB records show Paramount recompleted the F-36 well at Fort Liard and abandoned the Southeast Fort Liard N-01. The company also was active at Cameron Hills this past winter, re-entering and completing four wells. **Canadian Natural Resources Limited** also re-entered and abandoned the N-61 well at North Liard.

In the Yukon, Devon Canada this winter drilled the first well in the Eagle Plain in about 20 years. The 1 300 metre hole came up dry and has been abandoned, said Scott. Devon was required to drill the well as part of its work commitment for an exploration licence which came with its Anderson acquisition.

With the well, the licence will be extended for another four-year period. While the well is near the Dempster Highway, there

is no pipeline infrastructure in the area, leaving any potential discovery stranded until development of either the Mackenzie Valley or Alaska Highway pipeline.

Devon, along with **Canada Southern Petroleum Ltd.** also drilled a \$20-million development well at Kotaneelee in the southeast Yukon but has not released any information about it, said Scott.

Meanwhile, the National Energy Board has revised its timetable for the second phase (technical review) of the proposed Mackenzie gas project. **Imperial Oil Joint Ventures Limited**, the project applicant, has filed its response to interveners' information requests. Intervenors must file written evidence by June 1 and Imperial has until July 28 to submit reply evidence.

