



EB-2006-0018
EB-2006-0159

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15 (Sched.B);

AND IN THE MATTER OF an application by Tipperary Gas Corp. for an order granting leave to drill one horizontal well and two lateral legs drilled off the horizontal well in Tipperary Storage Area in the Municipality of Central Huron, Huron County, Ontario;

AND IN THE MATTER OF an application by Tipperary Gas Corp. for an order extending the terms of an order authorizing the injection of gas into, storage of gas in, and removal of gas from Tipperary Storage Area in the Municipality of Central Huron, Huron County, Ontario;

AND IN THE MATTER OF AND IN THE MATTER OF Tipperary Gas Corp. for an order extending the terms of order granting leave to drill three wells in Tipperary Storage Area in the Municipality of Central Huron, Huron County, Ontario.

PROCEDURAL ORDER NO. 2

The Application for Licences to Drill New Wells

On October 25, 2004, the Board designated Tipperary Pool as a gas storage area, pursuant to s. 36.1 of the Act (RP-2003-0253/EB-2003-0314). Tipperary Pool is located in the Township of Central Huron, Ontario.

On June 17, 2005 the Board issued an Order granting the Applicant authority to inject, store, and withdraw gas from the Tipperary Pool (RP-2003-0253/EB-2003-0315), subject to certain terms and conditions.

The Applicant has not commenced the operation of the Tipperary Pool at this time.

By letter dated January 25, 2006, the Ministry of Natural Resources, Petroleum Resources Centre (“MNR”), has referred to the Ontario Energy Board (the “Board”), pursuant to section 40 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B) (the “Act”), an application by Tipperary Gas Corp. (“Tipperary” or the “Applicant”) for licences to drill one horizontal well and two lateral legs to be drilled off the proposed horizontal well in the Tipperary Storage Area (“Tipperary Pool”). The Board has assigned this application Board File No. EB-2006-0018.

In proceeding EB-2006-0018 the Applicant is seeking licences to drill the following horizontal well and two lateral legs:

- Tribute et al #23 (Horiz.#1), Goderich 2-39-IX
- Tribute et al #23 (Horiz.#1-Lat.#1), Goderich 2-39-IX
- Tribute et al #23 (Horiz.#1-Lat.#2), Goderich 2-39-IX

The Board issued a Notice of Application (the “Notice”) on March 9, 2006 and a revised Notice on May 3, 2006. The Applicant served and published the revised Notice as directed by the Board. The last date for intervention was May 29, 2006. The list of registered intervenors and observers with the addresses and contact information is reflected in Appendix “A” to this Procedural Order.

On June 19, 2006 the Board issued Procedural Order No. 1 setting the timeline for written interrogatories and Applicant’s responses. The intervenors notified the Board that they had not received a complete set of pre-filed evidence from the Applicant and requested that an extension of the timeline for interrogatories preparation be granted. The Board agreed, and on June 30, 2006 the Board extended the timeline for interrogatories filings to July 12, 2006, and for Applicant’s responses to the interrogatories to July 26, 2006. The interrogatories and responses were filed as directed.

The Application to Extend Board Orders

On June 16, 2006, the Board received an application by Tipperary to extend the dates set in conditions of two orders related to the operation of the Tipperary gas storage area. Tipperary requested that the Board extend the date in condition 1.7 of the Board’s Order – Authorization to Inject, Store and Remove Gas (RP-2003-0253/EB-2003-0315) until December 31, 2007 and to extend the date in condition 1.3 of the Board’s report to

the MNR (RP-2003-0253/EB-2003-0316) regarding the expiration of a well drilling licence, for 12 months, until April 30, 2007. The Board has designated this request Board File No. EB-2006-0159.

The Joint Proceeding

The Board considered the pre-filed evidence in the Tipperary's application for licences referred to above (EB-2006-0018), and its application to extend orders (EB-2006-0159) originally issued in the RP-2003-0253 proceeding. The Board finds that the balance of convenience favours the joinder of these two proceedings. These proceedings deal with common issues related to the operation of the Tipperary Pool. The same persons are affected by the applications, including the directly affected landowners, Huron County Federation of Agriculture ("HCFA") and the MNR. Due to the common nature of the issues in the two applications the Board finds it appropriate to combine, pursuant to section 21(5) of the Act, the proceedings for EB-2006-0018 and EB-2006-0159 applications and to adhere to the timeline set in this procedural order.

All intervenors of record in the EB-2006-0018 and in RP-2003-0253 proceeding shall be considered intervenors in the joint proceeding. A list of the intervenors is attached as Appendix "A" to this procedural order. Any additional party wishing to participate in the joint proceeding must send a letter of intervention to the Board Secretary within 10 calendar days of the receipt of this procedural order. Those parties will become intervenors in the joint proceeding.

The Board also considers it appropriate to expand the notification of the joint proceeding so that all parties engaged in Board ongoing proceeding on Natural Gas Electricity Interface Review (NGEIR), EB-2005-0551, be provided specific notice of this joint proceeding. The NGEIR proceeding considered issues related to the availability and development of storage facilities in Ontario. Insofar as the joint proceeding also addresses issues related to the development of storage facilities in the province, the Board considers it appropriate to provide specific expanded notice to those parties.

The Board may issue further Procedural Orders from time to time. The Board considers it necessary to make provision for the following items related to the two applications.

THE BOARD ORDERS THAT:

1. Proceedings for the application EB-2006-0018 and the application EB-2006-0159, both by Tipperary Gas Corp., be combined and heard together in a joint proceeding.

2. The joint proceeding will include a review of both applications and a consideration of the pre-filed evidence, interrogatory responses by Tipperary Gas Corp. filed in EB-2006-0018 and new evidence and submissions provided in the joint proceeding.
3. All the registered intervenors in the EB-2006-0018 shall retain their status in the joint proceeding unless they request otherwise.
4. All the registered intervenors in the RP-2003-0253 proceeding, which resulted in the Board orders that Tipperary Gas Corp. requested be extended, shall retain their status in the joint proceeding unless they request otherwise.
5. The Applicant shall provide a copy of all evidence related to the joint proceeding, together with all Procedural Orders and correspondence related to the joint proceeding, upon request to all participants in EB -2005-0551 (NGEIR) upon receipt of this Procedural Order.
6. Any party not already registered as an intervenor in either EB-2006-0018 or in RP-2003-0253 proceeding wishing to participate in the joint proceeding must send a letter of intervention to the Board Secretary within **10 calendar days of the receipt of this procedural order**. Information on how to participate may be obtained by calling the Board's Customer Service Centre toll free at 1-877-632-2727, by email to Boardsec@oeb.gov.on.ca or from the frequently asked questions (FAQ) section of the Board's web site at www.oeb.gov.on.ca. A copy of your submission must also be sent to the Tipperary Gas Corp.
7. The Board may choose to hold either a written or an oral hearing. Parties who already have a registered intervenor status and any new intervenor may indicate their preference for a written or oral hearing, and the reasons for that preference.
8. Intervenors or Board Staff wishing to file any evidence on any matter related to the joint proceeding shall file this evidence with the Board and deliver to Tipperary Gas Corp. and all intervenors on or before **Monday, September 11, 2006**.

9. Written interrogatories on:
- intervenor or Board Staff evidence;
 - pre-filed evidence by Tipperary Gas Corp. in EB-2006-0018 and EB-2006-0159; and
 - responses by Tipperary Gas Corp. to written interrogatories in EB-2006-0018 ;
- shall be filed with the Board and delivered to Tipperary Gas Corp. and all intervenors on or before **Monday, September 25, 2006.**
10. Responses to the interrogatories shall be filed with the Board and delivered to Tipperary Gas Corp. and all intervenors on or before **Tuesday, October 10, 2006.**
11. All interrogatories must include a reference to the section which identifies the specific evidence on which the interrogatory is based.
12. All filings to the Board noted in this Order must be in the form of **9 hard copies and must be received by the Board by 4:45 p.m.** on the stated dates. The Board requests that all parties also submit an electronic copy of their filings.

ISSUED at Toronto, August 16, 2006.

ONTARIO ENERGY BOARD

Original signed by

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

To Procedural Order No. 2

EB-2006-0018 / EB-2006-0159

Dated: August 16, 2006

Tipperary Gas Corp. Application
for Licences to Drill Three Horizontal Wells in Tipperary Storage Area
Board File Nos. EB-2006-0018 / EB-2006-0159
APPLICANT & LIST OF INTERVENORS AND OBSERVERS

Last Update: August 16, 2006

Applicant	Address for Service
1. Ministry of Natural Resources	Petroleum Resources Centre Ministry of Natural Resources 659 Exeter Road London, ON N6E 1L3 Attention: Mr. Andrew Hewitt Manager Tel: 519-873-4635 Fax: 519-873-4645 E-mail: andrew.hewitt@mnr.gov.on.ca
And	Tipperary Gas Corp. Unit E-309 Commissioners Road West London, ON N6J 1Y4 Attention: Ms. Jane Lowrie Tel: 519-657-2151 Fax: 519-657-4296 E-mail: janelowrie@bellnet.ca
1. Union Gas Ltd.	Patrick McMahon Manager, Regulatory Research and Records Union Gas Limited 50 Keil Drive North Chatham ON N7M 5M1 Tel: 519-436-5325 Fax: 519-436-4641 E-mail: pmcmahon@duke-energy.com
2. Huron County Federation of Agriculture (HCFA)	Paul Nairn OFA Member Service Representative Huron/Perth P.O. Box 429 Clinton ON N0M 1L0 42 First Ave, Vanastra Tel: 519-482-9642 Fax: 519-482-1416 E-mail: pnairn@tcc.on.ca

- 3. The Tipperary Storage Landowners' Association (TSLA)**

Fred Dutot
The Tipperary storage Landowners' Association (TSLA)
R.R. #3, 77501 Tipperary Line
Clinton, Ontario
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Tel: 519-482-3350
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E-mail: fdutot@Tcc.on.ca

- 4. Corporation of the Municipality of Central Huron**

Richard Harding
Administrative Clerk
23 Albert Street
Box 400
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Tel: 519-482-3997 ext 222
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- 5. Northern Cross Energy Limited**

David R. Thompson
President
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Calgary, Alberta
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Fax: 403-237-6255
E-mail: dthompson@northerncross.ca

- 6. Ms. Marilyn R. Broadfoot and Mr. Lennus Yeo, Landowners**

Marilyn R. Broadfoot
R.R. #5
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E-mail: platinum@tcc.on.ca

Lennus Yeo
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Clinton, Ontario
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Tel: 519-482-9255

**7. Market Hub Partners Canada
LP (MHP)**

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Observers

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2. Bill Gilmore

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