The Davidson

Your Community Newspaper since 1904

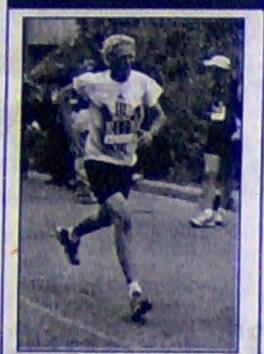
Serving Davidson, Girvin, Bladworth, Kenaston; Hanley D

Elbow, Loreburn, Imperial and Craik

Volume 103, No. 6 Davidson, Saskatchewan

Monday, September 18, 2006

Inside



Queen City Runners Pg. 5



Shallow gas exploration begins in area

By W. Lee

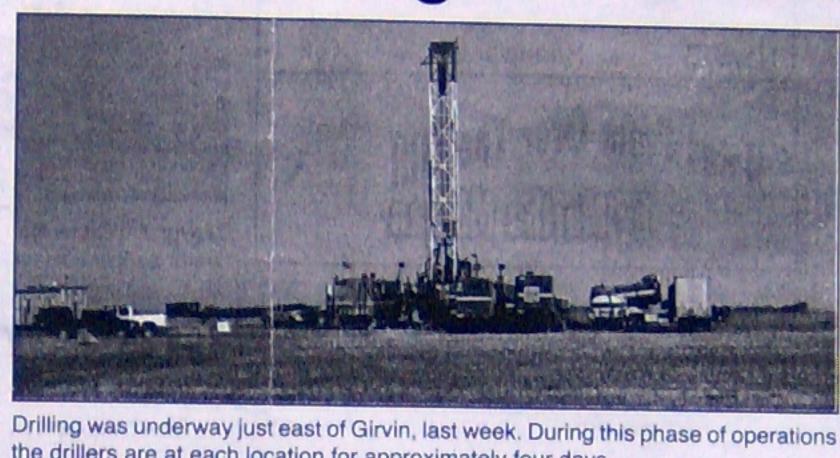
After a wet spring, shallow gas well drilling has begun in earnest in west central Saskatchewan. Closer to home, properties in the RMs of Huron, Arm River, Craik and Marquis are included in this exploration.

PanTerra Resource Corp., an exploration company' from Calgary, Alta. has contracted Akuna Drilling of Strathmore, Alberta and at time of writing, were drilling their tenth of 16 exploration wells since early summer. Panterra was awarded an exploration permit after submitting a bid for 'work commitment' to Saskatchewan Industry and Resources to spend \$3.5 million in the province in 2006/2007.

Using data obtained from geological surveys performed in the 1950s and '60s,

PanTerra selected its 16 locations. The next step was to obtain well drilling licenses from the Saskatchewan Government and contact landowners for permission to use their land for exploration and negotiate surface leases. They lease just enough area (100 metres by 100m) and road access to allow for the drilling rig, support trailers and vehicles. When asked if drilling had to wait until the crop was off, Herve Collet, geologist and vice president of operations for PanTerra, stated that when the lease is signed with the landowner, PanTerra buys the crop in that small parcel of land from the farmer. Hence, drilling begins when they are ready at the particular site.

Although there are several ways of obtaining data regarding the subsurface geo-



the drillers are at each location for approximately four days.

(Leader photo by W. Lee)

logical and geophysical features of an area, the best way is exploratory wells.

Collet explained natural gas deposits as, "An enormous sponge filled with liquid". Once pressure is applied, the liquid will seep out.

Gas deposits are in areas of rock, silt, sand, and clay and are pressurized in the earth. When a drill site is opened the liquid flows to the release area and samples can be the drill bit, pump pressutaken and eventually if natural gas is found, a natural gas

well will result. The drill itself, which is rated for 1,200m, will cut through the earth's crust and as it descends, jets near the front of rized water down its shaft.

(Continued on Page 3)

MONDAY, SEPTEMBER 18, 2006

THE DAVIDSON LEADER 3

LEADER NEWS

Drilling begins in area RMs

(Continued from Page 1)

This water is pushed out and the rock cuttings and fluids are pushed up the sides of the drill. These cuttings and fluids are collected and sent to a shaker on the drill's platform and separated. The water is recycled back to the drill. The cuttings are tested through standard logging to gain a better understanding of the porosity or porousness of the rock and the geological make up of the area.

One might expect a noisy. chaotic environment at the site, but it was actually the contrary.

The rig itself looks monstrous in size, but according to Collet, this particular rig is quite small compared to others and is preferable due to its portability. For example, on this particular day they tore down camp from the previous site at 6 a.m. and were up and running at their next site by II a.m.

As with most industrial operations today, safety is a key factor when using machinery of this size, Collet, an old hand at the exploration game, says that industrial accidents on sites such as these have decreased dramatically in recent years due to the increase in technology, the experience of rig workers and their knowledge of safety and safety equipment,

Finally, once the test well exploration is complete, the well is closed off and clean up begins. This job is the responsibility of Jerrod Hicks with Wellsite Environmental of Calgary. Throughout the process environmental testing is done on the drilling fluid and cuttings. They are looking for hydrocarbons and other toxins that might be released in the drilling. They also collect drilling fluids in vacuum trucks. The drilling fluid consists of calcium nitrate (fertilizer) which is

spread onto the farmer's land after completion. This creates a double benefit for the farmer. He has lease revenue and fertilized land when it is all said and done.

"Other than a small capped pipe you can hardly tell we were here" says Collet. They have six more sites to drill, then in approximately two to three months the testing phase will begin.

Leslee Winchester, Administrator with the RM of Craik was enthusiastic about the drilling, she said, "It's going to provide economic stability for our farmers and our community".

We asked Jim Cross, Mayor of Davidson what his thoughts were about Panterra coming to the area. He said, "Absolutely great. It is certainly beneficial to the community. It will bring new people to town, create employment, increase wealth... nothing but good, good, good".



(left to right) Herve Collet, Vice-President of Operations, Fred Rumak, President and Cory Bohnet, On-site Consultant for Panterra Resources Corp.

(Leader photo by W. Lee