

Horn River News

Shale Gas in Northern BC and elsewhere...

BC Advantage

The B.C. Advantage

- British Columbia is Canada's second-largest natural gas producing region (behind Alberta) at 3.4 billion cubic feet per day and second-largest reserve holder.
- BC's Horn River and Montney shale are estimated to have over 250 trillion cubic feet (Source: Various)
- Land sales in B. C. fetched \$2.66 billion in 2008, up from \$1.5 billion in 2007.
- Producers completed 597 wells in the province in 2007, the vast majority targeting natural gas.
- Exploration and production expenditures (including land sales) were \$8.26 billion in 2007.
- Royalty payments to government amounted to \$1.7 billion in 2007.

Key Investments:

- EnCana Corp has committed an initial investment of \$400 million for a multi-billion dollar gas processing facility with initial capacity of 400 million cubic feet per day.
- The Provincial Government is investing \$187 million into regional infrastructure to provide year round access and increase traffic capacity.
- TransCanada Corp. has committed to invest \$340 million to build a 36-inch pipeline from the Horn River region to the Alberta system a distance of approximately 155km. TransCanada has secured initial shipper commitments for 374 million cubic feet per day. The pipeline is expected to operational early Q2/2011.
- Kitimat LNG is building a Liquid Natural Gas ("LNG") plant to cool and ship natural gas for export to Asia and beyond. Completion date is targeted at 2012. Kitimat LNG has entered into multi-billion dollar, multi-year deals to provide natural gas to Korea Gas Corp. and Spain's Gas Natural.

Source: CAPP Statistical Handbook, Canadian Centre for Energy

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