

**LUSCAR** LTD.

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December 6, 2005

Alberta Energy and Utilities Board
Facilities Applications
11th Floor, 640-5th Avenue SW
CALGARY, AB T2P 3G4

Via direct telefax #403-297-4117

Attention: Michelle Stepp, Facility Applications

Dear Madam::

**Re: APPLICATION TO ESTABLISH HOLDINGS FOR THE PRODUCTION OF
GAS FROM THE EDMONTON COALS AND SANDS IN THE MANITO, BASHAW,
ERSKINE, STETTLER, LEAHURST, GADSBY, HALKIRK, AND LEO FIELDS**

In Township 36, Range 18, West of the 4th Meridian, Sections: 26 and 33
In Township 37, Range 18, West of the 4th Meridian, Sections: 1 and 8
In Township 37, Range 19, West of the 4th Meridian, Sections: 33 and 35
In Township 38, Range 18, West of the 4th Meridian, Sections: 31
In Township 38, Range 19, West of the 4th Meridian, Sections: 5
In Township 38, Range 20, West of the 4th Meridian, Sections: 25
In Township 39, Range 20, West of the 4th Meridian, Sections: 35
In Township 40, Range 20, West of the 4th Meridian, Sections: 26
In Township 41, Range 21, West of the 4th Meridian, Sections: 26
In Township 42, Range 20, West of the 4th Meridian, Sections: 8, 13 and 35

Luscar Ltd. is in receipt of a notification letter dated November 22, 2005 from Centrica Canada with respect to the above-noted application to establish holdings for the production of conventional gas from the Edmonton coals and sands in the Manito, Bashaw, Erskine, Stettler, Leahurst, Gadsbys Halkirk and Leo Fields.

Luscar Ltd. has a bona fide objection to the establishment of holdings at the following locations:

In Township 36, Range 18, West of the 4th Meridian, Section 26
In Township 37, Range 18, West of the 4th Meridian, Section 8
In Township 40, Range 20, West of the 4th Meridian, Section 26
In Township 41, Range 21, West of the 4th Meridian, Section 26
In Township 42, Range 20, West of the 4th Meridian, Section 8

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for the production of gas from the Edmonton coals as Luscar is the freehold owner of the coal on the above-noted legal descriptions and is claiming the coalbed methane at these locations. Luscar Ltd. does not have an objection to the well being drilled for the production of conventional gas.

Please do not hesitate to contact the writer at (780) 420-4092 or Robert Donick, at (780) 420-4097 should you have any questions.

Yours very truly,
LUSCAR LTD.



Brenda Mason
(780) 420-4092 (phone)
(780) 420-5835 (fax)
cc: Gary Foster, Centrica Canada @ 403-266-6684