

Athabasca's MacKay River oilsands project OK'd

Written by Administrator

Thursday, 29 December 2011 12:09 - Last Updated Thursday, 29 December 2011 12:16

Athabasca Oil Sands Corp. says it has received full approval from Alberta regulators for the MacKay River oilsands project, a joint venture between the company and a Chinese energy giant.

Athabasca said Wednesday that the Alberta Energy Resources Conservation Board and Alberta Environment and Water had approved the MacKay River commercial oilsands project in northern Alberta.

The project is 40 per cent owned by Athabasca (TSX:ATH) and 60 per cent by PetroChina International Investments Co. Ltd.

Earlier this year, Athabasca closed a \$1.9-billion deal to sell a 60 per cent stake in its MacKay River and Dover oilsands projects to PetroChina International, a unit of the Chinese energy company.

"To obtain approval in just over 24 months is an achievement and Athabasca is very pleased with the regulatory process," president and CEO Sveinung Svarte, said in a release before stock markets opened Wednesday.

The company filed the application in December, 2009 and received final approval last Friday.

The MacKay River project is a 150,000 barrels per day steam assisted gravity drainage project with Phase 1 expected to produce 35,000 barrels.

Construction of the project will begin next month with startup targeted for 2014.

Under steam assisted, or SAGD, technology, oilsands companies pipe steam underground to melt thick tar-like oilsands deposits.

Athabasca's MacKay River oilsands project OK'd

Written by Administrator

Thursday, 29 December 2011 12:09 - Last Updated Thursday, 29 December 2011 12:16

The oil is then collected through a second pipeline and pumped to the surface.

Source :cbc.ca