

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

XENO, INC.)
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FE DOCKET NO. 00-53-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1615

JULY 25, 2000

I. DESCRIPTION OF REQUEST

On July 21, 2000, Xeno, Inc. (Xeno) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA) ^{1/} and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to export up to 15,000 Mcf per day of natural gas to Canada. ^{2/} The term of the proposed export authorization would be for two years beginning on August 1, 2000.

Xeno, a producer of natural gas, is a Montana corporation with its principal place of business in Havre, Montana. Xeno is a wholly owned subsidiary of Causeway Energy Corporation, based in Calgary, Alberta, Canada. The exported gas will be produced by Xeno at the Battle Creek field in Blaine County, Montana, and sold under spot or short-term arrangements to Renaissance Energy Ltd. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Xeno has been evaluated to determine if the proposed export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the export of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Xeno to export natural gas to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest.

^{1/} 15 U.S.C. § 717b.

^{2/} 15,000 Mcf per day is equal to approximately 10.95 Bcf over two years.

Consistent with our treatment of similar blanket applications, the authorization will be approved with no restriction on the daily volumes that may be exported. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Xeno, Inc., (Xeno) is authorized to export up to 10.95 Bcf of natural gas to Canada over a two-year term beginning August 1, 2000, and extending through July 31, 2002. This natural gas will be exported at Havre, Montana.

B. With respect to the natural gas exports authorized by this Order, Xeno shall file, within 30 days following each calendar quarter, reports indicating whether exports of natural gas have been made. If no exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, Xeno must report the following information: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the name of the seller; (4) the name of the purchaser; (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter; and (7) the point of exit. [OMB No.: 1901-0294]

C. The reports described in Ordering Paragraphs B and C of this Order shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585.

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than October 30, 2000, and should cover the period from August 1, 2000, until the end of the third calendar quarter, September 30, 2000.

Issued in Washington, D.C., on July 25, 2000.

John W. Glynn
Manager, Natural Gas Regulation
Office of Natural gas & Petroleum
Import & Export Activities
Office of Fossil Energy