

FILED
JAN 19 2004

RECEIVED

1/19/05

**UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY, OFFICE OF FOSSIL ENERGY**

In the Matter of

)

Fortuna (US) L.P.

)

)

FE Docket No. ~~05-03~~ NG

**APPLICATION OF FORTUNA (US) L.P. FOR AUTHORIZATION
TO IMPORT AND EXPORT NATURAL GAS FROM/TO CANADA
ON A SHORT-TERM BLANKET BASIS**

Fortuna (US) L.P. (Fortuna) hereby requests issuance by the Office of Fossil Energy (FE) of the Department of Energy (DOE) of a blanket authorization to effectuate short-term ~~imports~~ and exports to or from Canada of up to **75 Bcf** of natural gas to or from markets within the United States (US). This application is submitted pursuant to Section 3 of the Natural Gas Act (NGA), 15 U.S.C. Section 717b, Department of Energy Delegation Order No. 0204-111, and the Department's regulations, 10 C.F.R. Part 590 (2004).

The blanket authorization requested herein will permit Fortuna to make competitively-priced natural gas from a variety of supply sources available to North American markets. This accords with the Department's policy of encouraging competitive and market-responsive pricing. The gas will be transported through existing international border pipeline interconnection points. The gas will be carried on the existing facilities of pipeline companies, in the U.S. and Canada.

The requested authorization is needed in blanket form in order to allow Fortuna to import and export gas on its own behalf, as well as on behalf of suppliers and purchasers for whom Fortuna may act as agent.

Finally, as explained in greater detail below, Fortuna is the successor to a company that was previously granted the blanket authorization requested herein. In order to assume seamless transfer of the rights previously held by that predecessor corporate entity, Fortuna requests that authorization be granted retroactively to December 21, 2004.

I.

Communications and correspondence concerning this application should be directed to the following:

Douglas F. John
JOHN & HENGERER
1200 17th Street, N.W.
Suite 600
Washington, D.C. 20036-3013
Telephone: (202) 429-8801
Facsimile: (202) 429-8805
E-Mail: djohn@ihenergy.com

and

Frank C. Basham
Manager, Regulatory Affairs
Talisman Energy Inc.
888 - 3rd Street, S.W.
Suite 3400
Calgary, Alberta T2P 5C5
CANADA
Telephone: (403) 237-1380
Facsimile: (403) 237-1078
E-Mail: fbasham@talisman-energy.com

II.

The exact legal name of the applicant herein is **Fortuna (US) L.P.** and its principal place of business is at 203 Colonial Drive, Suite 101, **Horseheads, New York** 14845. The primary business of Fortuna is the exploration, development, production and marketing of hydrocarbon products in the United States. **Fortuna is the successor-in-interest to FUSI LLC.**

The Department of Energy, Office of Fossil Energy granted a natural gas import/export blanket authorization to FUSI LLC on October 8, 2003 in Order No. 1903 (FE Docket No. 03-59-NG). Effective December 21, 2004, FUSI LLC, a Delaware Limited Liability Company was converted into Fortuna (US) L.P., a Delaware Limited Partnership. Fortuna (US) L.P. is a wholly-owned subsidiary of Fortuna Energy Inc., which is an indirect, wholly-owned subsidiary of Talisman Energy Inc. which is incorporated under the laws of Canada and has its head office in Calgary, Alberta, Canada.

III.

Consistent with Fortuna's prior blanket authorization, Fortuna hereby requests authority to import and/or export an aggregate 75 Bcf of natural gas from Canada, over a two-year term beginning on December 21, 2004 or the earliest date thereafter. Transactions arranged by Fortuna may be structured to enable Fortuna to import and/or export gas which it purchases from its ultimate Canadian parent company, as well as gas bought from third parties at the international border, or to enable Fortuna to act as agent for third party importers and exporters in circumstances where Fortuna does not take title to the gas in question. Therefore, Fortuna requests authorization to import

and export supplies for its own account, as well as for principals for which it acts as agent.

In order to ensure maximum flexibility, Fortuna is asking that no daily volume limit be set on this authorization.

Fortuna specifically requests blanket authorization respectively to import and to import at or from any existing pipeline interconnection point on the international border.

Fortuna will file with the OFE in the month following each calendar quarter, quarterly reports as to whether sales have been made, and if so, the total monthly volumes and the average purchase price per MMBtu at the international border. The reports will also provide the details of each import transaction including:

1. Name of the seller(s);
2. Name of the purchaser(s);
3. Estimated or actual duration of the agreement(s);
4. Name of the U.S. transporter(s);
5. Point(s) of entry;
6. The geographic market(s) served;
7. Whether the imports or exports are being made on an interruptible or firm basis; and; if applicable, the per unit (MMBtu) demand/commodity/reservation components of pricing under the contract(s), any special contract price adjustment clause, and or take-or-pay or make-up provisions.

IV.

Section 3(c) of the NGA, as amended by the Energy Policy Act of 1992 (Pub. L. 102-486), states that an import or export of natural gas from a nation with which there is a free trade agreement in effect 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 (15 U.S.C. 717b(c)). The authorization sought by Fortuna to import or export natural gas from or to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and is, therefore, consistent with the public interest.

V.

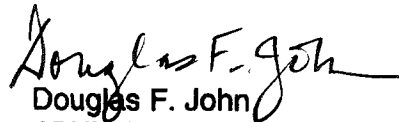
Fortuna submits the following exhibits in support of its application:

Exhibit A: Statement and Opinion of Counsel

Exhibit B: Verification

WHEREFORE, Fortuna respectfully requests that the OFE expeditiously issue an order, pursuant to Section 3 of the Natural Gas Act, finding that the proposed blanket import and export authorizations are not inconsistent with the public interest and approving them in all respects.

Respectfully submitted,



Douglas F. John
JOHN & HENGERER
1200 17th Street, NW
Suite 600
Washington, D.C. 20036-3013
(202) 429-8801

Counsel for Fortuna (US) L.P.

Dated: January 14, 2005

Appendix A

FE Docket No. 05- ____ -NG

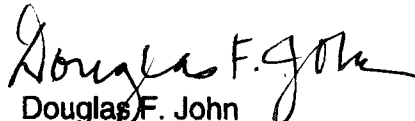
STATEMENT AND OPINION OF COUNSEL

STATEMENT AND OPINION OF COUNSEL

Pursuant to 10 C.F.R. 590.202(c), the undersigned hereby submits the following Statement and Opinion of Counsel in connection with the Application of Fortuna (US) L.P. for Authorization to Import and Export Natural Gas From/To Canada on a Short-term Blanket Basis.

- (1) I am an attorney at law, authorized to practice law in the District of Columbia; and
- (2) Fortuna (US) L.P. is a Limited Partnership duly-organized, existing and in good standing under the laws of the State of Delaware; and
- (3) To the best of my knowledge and belief, the proposed import/export of natural gas is within the powers of Fortuna (US) L.P.; and
- (4) To the best of my knowledge and belief, Fortuna (US) L.P. either has complied with or is in the process of complying with applicable rules and regulations of state regulatory authorities in the states in which it operates.

Respectfully submitted,


Douglas F. John
Counsel for Fortuna (US) L.P.

Dated: January 14, 2005

Appendix B

FE Docket No. 05- ____ -NG

VERIFICATION

VERIFICATION


CANADA)	I, JOSEPH HORLER
PROVINCE OF ALBERTA)	of the City of Calgary, in
TO WIT)	the Province of Alberta, Canada.
)	
)	MAKE OATH AND SAY:

I, Joseph Horler, being first duly sworn under oath, state that I am the Executive Vice President, Marketing, of Talisman Energy Inc., and a duly authorized representative of the applicant, Fortuna (US) L.P.; that I have read the foregoing Application and know the contents; that the statements contained therein are true and correct to the best of my knowledge, information and belief; the same or a related matter is not being considered by any other part of the Department of Energy including the Federal Energy Regulatory Commission, or any other Federal agency or department.

SUBSCRIBED AND SWORN)
)
 BEFORE ME at the City of Calgary,)
)
 in the Province of Alberta, Canada,)
)
 this 14th day of January 2005.)



 Joseph Horler



 Katherine Louise Wood
 Notary Public in and for the Province of Alberta
 My commission expires at the pleasure of the Lieutenant Governor

Appendix C

FE Docket No. 05- ____ -NG

**CERTIFICATE OF CONVERSION TO
LIMITED PARTNERSHIP CONVERTING
FUSI LLC TO FORTUNA (US) L.P.**

Delaware

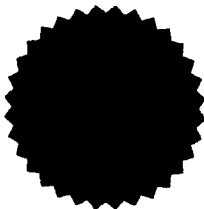
PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CONVERSION OF A DELAWARE LIMITED LIABILITY COMPANY UNDER THE NAME OF "FUSI LLC" TO A DELAWARE LIMITED PARTNERSHIP, CHANGING ITS NAME FROM "FUSI LLC" TO "FORTUNA (US) L.P.", FILED IN THIS OFFICE ON THE TWENTY-FIRST DAY OF DECEMBER, A.D. 2004, AT 1:32 O'CLOCK P.M.

3684195 8100V

040926619



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3570985

DATE: 12-22-04

**CERTIFICATE OF CONVERSION
TO
LIMITED PARTNERSHIP
CONVERTING
FUSI LLC
TO
FORTUNA (US) L.P.**

In order to convert FUSI LLC, a Delaware limited liability company, to Fortuna (US) L.P., a Delaware limited partnership, pursuant to Section 17-217 of the Delaware Revised Uniform Limited Partnership Act, the undersigned hereby certifies as follows:

FIRST: That FUSI LLC (the "Converting Entity") was formed on July 30, 2003 in Delaware.

SECOND: That the name of the Converting Entity immediately prior to the filing of this Certificate of Conversion to Limited Partnership is FUSI LLC.

THIRD: That the name of the limited partnership set forth in the certificate of limited partnership filed in accordance with subsection (b) of Section 17-217 of the Delaware Revised Uniform Limited Partnership Act is Fortuna (US) L.P.

FOURTH: That the conversion of the Converting Entity to Fortuna (US) L.P. shall become effective upon the filing of this Certificate of Conversion to Limited Partnership with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, the sole general partner of Fortuna (US) L.P. has caused this Certificate of Conversion to Limited Partnership to be executed on December 16, 2004.

FUSI GP INC.

By: /s/ M. Jacqueline Sheppard

Print Name: M. Jacqueline Sheppard
Print Title: Vice-President

By: /s/ Christine D. Lee

Print Name: Christine D. Lee
Print Title: Assistant Secretary