

MEDIATION AND ARBITRATION BOARD  
Under the Petroleum and Natural Gas Act  
#114, 10142 - 101 Avenue  
Fort St. John, BC V1J 2B3

Date: 29 May 2002

File No. 1471

Board Order No. 353M

**BEFORE THE MEDIATOR:**

IN THE MATTER OF THE PETROLEUM AND  
NATURAL GAS ACT BEING CHAPTER 361 OF  
THE REVISED STATUTES OF BRITISH  
COLUMBIA AND AMENDMENTS THERETO:  
**(THE ACT)**

AND IN THE MATTER OF A PORTION OF THE  
BLOCK A OF DISTRICT LOT 341 WEST OF  
THE SIXTH MERIDIAN PEACE RIVER  
DISTRICT  
(c-91-1/93-P-1 W6M)  
**(THE LANDS)**

**BETWEEN:**

AEC OIL & GAS CO. LTD.  
3900, 421-7<sup>TH</sup> AVENUE SW  
CALGARY, ALBERTA  
T2P 4K9  
**(THE APPLICANT)**

**AND:**

JAMES LETENDRE  
KELLY LAKE, BC  
V0C 2C0  
**(THE RESPONDENT)**

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MEDIATION ORDER

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**BACKGROUND:**

The Mediation and Arbitration Board received an application for Mediation and Arbitration and Permission to enter on 30 April 2002 from David Damery, agent for AEC Oil & Gas Co. Ltd. The purpose of the application is for permission for the Applicant to enter upon the Respondent's land to construct the proposed well site and access, located at c-91-1/93-P-1.

Pursuant to Section 18 (1) of the Petroleum and Natural Gas Act, Rodney Strandberg was designated Mediator. The Mediator confirms that the application was properly filed.

A Mediation Hearing was conducted by Rodney J. Strandberg, Chair of the Mediation and Arbitration Board in Fort St. John on Tuesday 21 May 2002 regarding an application by AEC Oil & Gas Co. Ltd. for a Right-Of-Entry onto land registered in the name of James Collin Letendre.

Attending on behalf of the Applicant was David Damery. The registered owner is deceased and his will has not yet been probated. The executor appointed in the will of James Letendre, Howard Letendre and the alternate executor, Jeanne Letendre appeared in person. Galena Letendre, wife of the deceased and the person entitled to a life interest in the property did not attend but sent a letter authorizing Howard Letendre to speak to the Board on her behalf.

The Applicant also produced an agreement between Howard Letendre, Jeanne Letendre and Galena Elsie Letendre providing that once the last will of James Letendre was probated the Executor would execute a Lease to be registered against the land. Notwithstanding this, the Applicant seeks a Right-Of-Entry order under section 19 of the Petroleum and Natural Gas Act. This agreement provides that payments pursuant to any lease are to be paid to Stasiuk and Company, solicitors for the estate of James Letendre.

The parties have agreed on compensation for this lease for an access road and well located at c-91-1/93-P-1 and temporary workspace in the amount of \$ 8,000.00 for first year and \$ 3,000.00 annually.

The parties taking no issue with the compensation offered, the Board is prepared to issue a Right-Of-Entry order on the terms sought by the Applicant. In issuing this Right-Of-Entry order the Board should not be viewed as warranting that the Right-Of-Entry is capable of registration at the Land Title office. However, as it appears that all persons who might be viewed as deriving a benefit under the will of the deceased are consenting to this arrangement, the Board makes the following order pursuant to Section 18 (3) of the Petroleum and Natural Gas Act:

**IT IS HEREBY ORDERED THAT:**

1. Pursuant to Section 18 (2) (c) of the Petroleum and Natural Gas Act, further Mediation Hearings are refused as all issues between the parties are resolved.
2. Pursuant to Section 19 (1) of the Petroleum and Natural Gas Act the Applicant is entitled to enter upon the lands legally described as the Part of Block A of District Lot 341 W6M for the purposes of constructing and bringing into production the proposed well site and access road shown in the Individual Ownership Plan marked Exhibit "A" and attached.

3. Pursuant to Section 19 (2) (a) of the Petroleum and Natural Gas Act, the Applicant is required to deposit security by way of a cheque made payable to the Minister of Finance in the amount of \$ 5,000.00. The Security deposit is to be delivered to the Board forthwith and, in any event, prior to entering onto the land;
4. Pursuant to Section 19 (2) (b) of the Petroleum and Natural Gas Act, the Applicant shall deliver the partial payment in the amount of \$ 8,000.00 to Glen Stasiuk, solicitor for the estate, to be held in trust. This payment is to be made forthwith and, in any event, prior to entering onto the land.
5. The Respondents Howard Letendre, who traveled to Fort St. John from Grande Prairie, a return distance of 410 kilometers, and Jeanne Letendre, who traveled to Fort St. John from Pouce Coupe, a return distance of 180 kilometers are entitled to costs pursuant to Section 27 of the Petroleum and Natural Gas Act. Mr. Damery advised that he is paid \$ 0.70 per kilometer and this is accepted as the freely agreed rate to be paid per kilometer for costs of this Mediation. Accordingly, pursuant to Section 27) of the Petroleum and Natural Gas Act, the Applicant will forthwith pay to Howard Letendre the sum of \$ 287.00 and to Jeanne Letendre the sum of \$ 126.00 and provide proof of payment to the Board within 14 days (12 June 2002). These costs are payable notwithstanding whether the Applicant exercises the Right-Of-Entry granted in this order, or not.
6. Nothing in this order is or operates as consent, permit, or authorization that by enactment a person is required to obtain in addition to this order.

Dated at the City of Fort St. John, British Columbia, this **29th day of May 2002**.

MEDIATION AND ARBITRATION BOARD  
UNDER THE  
PETROLEUM AND NATURAL GAS ACT

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Rodney J. Strandberg, Mediator