

October 29, 2015

SURFACE RIGHTS BOARD

**IN THE MATTER OF THE PETROLEUM AND NATURAL GAS
ACT, R.S.B.C., C. 361 AS AMENDED**

AND IN THE MATTER OF

**THE FRACTIONAL SOUTH EAST ¼ OF SECTION 2 TOWNSHIP 78 RANGE 17
WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT**

(the Lands)

BETWEEN:

Murphy Oil Company Ltd.

(APPLICANT)

AND:

Marilyn Gross

(RESPONDENT)

DRAFT BOARD ORDER

The parties reached agreement in these applications respecting right of entry to drill additional wells and associated compensation, and rent review for an existing wellsite. The parties have asked the Board to incorporate the terms of their agreement into a Board Order.

Marilyn Gross agrees to Murphy Oil Company Ltd.'s proposed flowline project across the Lands and further agrees not to oppose Murphy Oil Company Ltd.'s application to the OGC for the flowlines or appeal any permit issued by the OGC.

Murphy Oil Company Ltd. agrees to increase the annual rent for the wellsite lease to \$7000, retroactive to October 2012. This increase includes a \$2600 bonus amount, which Murphy agrees to based on Marilyn Gross' above noted agreement to the flow lines, the avoidance of the arbitration hearing in these matters and the need for any further board process. This is a relevant factor that will need to be considered on any future rent review.

Murphy Oil Company Ltd. agrees to a total initial payment of \$4,000 and an annual payment for the two additional wells in the total amount of \$1,000, retroactive to May 12, 2011.

CONSENT ORDER

The Surface Rights Board orders as follows:

[1] Murphy Oil Company Ltd. shall pay annual rent to Marilyn Gross in the amount of \$7,000.00 commencing October 11, 2012.

[2] Murphy Oil Company Ltd. shall pay Marilyn Gross a one-time payment of \$4,000.00.

[3] Murphy Oil Company Ltd. shall pay Marilyn Gross annual rent of \$1,000.00 commencing May 12, 2015.

DATED: October 29, 2015

FOR THE BOARD



Cheryl Vickers
Chair