

**File No. 1715**  
**Board Order No. 1715-1**

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**June 3, 2011**

**MEDIATION AND ARBITRATION BOARD**

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

**AND IN THE MATTER OF**

**SOUTH EAST ¼ OF SECTION 33 TOWNSHIP 81 RANGE 17 WEST OF THE  
6<sup>TH</sup> MERIDIAN PEACE RIVER DISTRICT  
(the Lands)**

**BETWEEN:**

Canadian Natural Resources Limited

(APPLICANT)

**AND:**

Daniel Leigh Kerr

(RESPONDENT)

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**BOARD ORDER**

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Heard by telephone conference: May 25 and June 1, 2011  
Mediator: Rob Fraser

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Canadian Natural Resources Limited (CNRL) seeks a right of entry order to enter, complete and operate a well on lands legally owned by Daniel Leigh Kerr.

After discussions with the parties I am satisfied that an order authorizing entry to the Lands is required for a purpose described in section 142 (a) to (c) of the *Petroleum and Natural Gas Act*.

The parties have not resolved the issue of total compensation and those discussions are part of a continuing mediation.

The Surface Rights Board is aware that Ms. Bell as Power of Attorney for Daniel Leigh Kerr has filed an appeal with the Oil and Gas Tribunal (the Tribunal), appealing the permit issued by the Oil and Gas Commission (OGC) for this well.

The Board has communicated with the Tribunal, and it appears that Ms. Bell's application does not include an application to stay the permit issued by the OGC. Therefore, it is my opinion that the Board can issue the right of entry order.

However, I think it fair to allow Ms. Bell a limited amount of time to prove to the Board that she has applied to the Tribunal for a stay of the permit or that the Tribunal has issued a stay.

The order below comes into force no later than **June 8, 2011** unless Ms. Bell establishes to the Board's satisfaction that the Tribunal has issued a stay or that Ms. Bell has applied to the Tribunal for a stay.

### **ORDER**

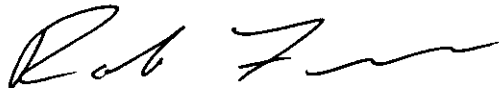
Pursuant to section 159 of the *Petroleum and Natural Gas Act*, the Board orders as follows:

1. Upon payment of the amounts set out in paragraphs 3 and 4, Canadian Natural Resources Limited shall have the right of entry to and access across the portions of the Lands described as SOUTH EAST ¼ OF SECTION 33 TOWNSHIP 81 RANGE 17 WEST OF THE 6<sup>TH</sup> MERIDIAN PEACE RIVER DISTRICT, as shown on the individual ownership plan attached as Appendix "A" for the purpose of drilling, completing and operating one well.

2. Canadian Natural Resources Limited's right of entry shall be subject to the terms and conditions attached as Appendix "B" to this right of entry Order.
3. Canadian Natural Resources Limited shall deliver to the Surface Rights Board security in the amount of \$10,000.00 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to Canadian Natural Resources Limited, or paid to the landowner, upon agreement of the parties or as ordered by the Board.
4. Canadian Natural Resources Limited shall pay to the landowner as partial payment for compensation the amount of \$10,100.00 representing the first year's initial payment.
5. Nothing in this Order operates as a consent, permission, approval, or authorization of a matter within the jurisdiction of the Oil and Gas Commission.
6. In keeping with other multi well pads in the area, additional wells will be compensated at \$2000.00 initial consideration and \$500.00 additional annual compensation.
7. Canadian Natural Resources Limited will pay additional compensation of \$4000.00 if the Borrow Pit and Remote sump area shown on Appendix "A" are required.
8. The Board will continue to mediate total compensation payable in addition to any amounts ordered above.

Dated June 3, 2011

FOR THE BOARD

A handwritten signature in black ink, appearing to read "Rob Fraser", written in a cursive style.

Rob Fraser, Mediator

# Canadian Natural Resources Limited

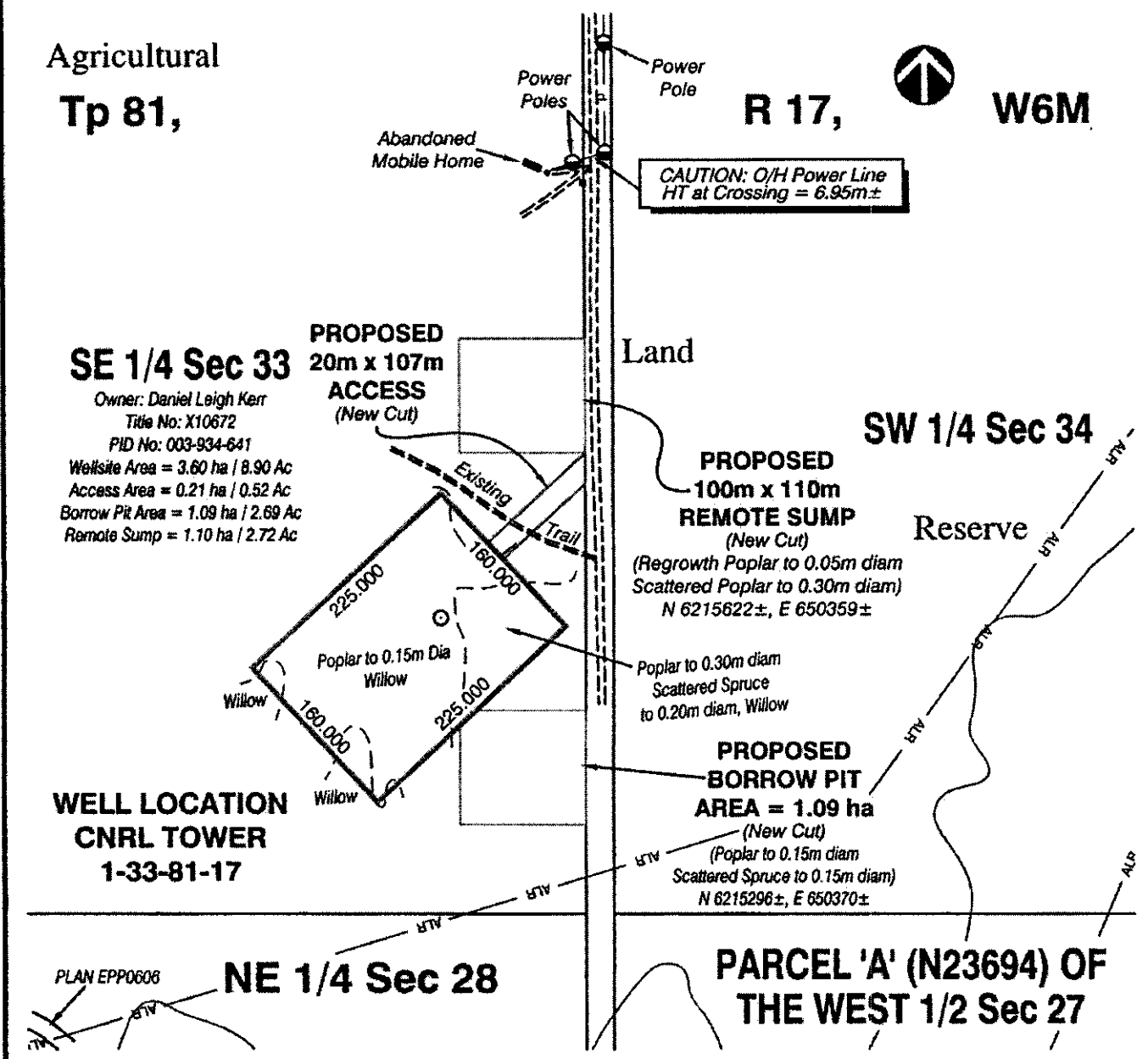
## INDIVIDUAL OWNERSHIP PLAN

SHOWING WELL LOCATION 1-33-81-17, 20.0m ACCESS, BORROW PIT, AND REMOTE SUMP.

IN  
**SOUTH EAST 1/4 OF SECTION 33**  
**TOWNSHIP 81, RANGE 17, W6M**

PEACE RIVER DISTRICT

CNRL File No. 1113292



OWNER: Daniel Leigh Kerr

TITLE X10672

PID 003-934-641

Wellsite 3.60 ha 8.90 Ac.  
 Access 0.21 ha 0.52 Ac.  
 Borrow Pit 1.09 ha 2.69 Ac.  
 Remote Sump 1.10 ha 2.72 Ac.  
 Total Area 6.00 ha 14.83 Ac.

Certified correct this 25th day of  
FEBRUARY 2011.

D.N. BATTEN B.C.L.S.

**McElhanney**  
 McELHANNEY GEOMATICS  
 Professional Land Surveying Ltd.  
 8808 - 72nd Street  
 Fort St. John, British Columbia  
 Phone: (250) 787-0356, Fax: (250) 787-0310

DISTANCES ARE IN METRES.  
 PORTIONS REFERRED TO ARE OUTLINED IN RED AND GREEN.  
 REVISION: 1  
 SCALE: 1:5000  
 DRAWN BY: TL  
 JOB : 3111-J19665/IP1

Appendix "B"

**Conditions for Right of Entry**

1. Canadian Natural Resources Limited will implement reasonable measures to control dust. Canadian Natural Resources Limited will leave the public road in as good a condition as prior to use.
2. Canadian Natural Resources Limited will take reasonable steps to ensure that no garbage is left behind by any of the operations on the lands.
3. The landowner will be notified prior to construction.
4. Canadian Natural Resources Limited will provide a copy of these terms and conditions to the Construction Manager, Rig Manager and Completions Manager.
5. The landowner will be notified prior to construction.