

**File No. 1718
Board Order 1718-1**

September 13, 2011

SURFACE RIGHTS BOARD

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

AND IN THE MATTER OF

**THE NORTH WEST ¼ OF SECTION 4 TOWNSHIP 81 RANGE 17 WEST OF
THE 6TH MERIDIAN PEACE RIVER DISTRICT
(The "Lands")**

BETWEEN:

ENCANA CORPORATION

(APPLICANT)

AND:

MIKE FRASER AND ASPEN FRASER

(RESPONDENTS)

BOARD ORDER

On September 8, 2011, I conducted a telephone mediation. During the course of our discussions, we reviewed the issue of the right of entry, partial compensation, and terms and conditions.

The parties are unable, at this time, to resolve compensation.

Encana has received a permit from the Oil and Gas Commission (OGC) and is requesting a Right-of-Entry from the Surface Rights Board to:

1. Finalize any further and necessary assessments that may be required by the OGC; and
2. Construct, drill and operate a wellsite and access road located within the NW ¼ of Section 4, Twp 81. Rng 17 W6M – Well Name – ECA TOWER 14-04-17 W6M.

Encana may drill further wells from this location at some time in the future.

The parties are in basic agreement with the terms and conditions, except that Mr. Fraser asks Encana to avoid flaring if at all possible. Encana will investigate and will make their best efforts to minimize flaring.

I am satisfied that Encana requires the right of entry for the purposes of gas and oil activities.

ORDER

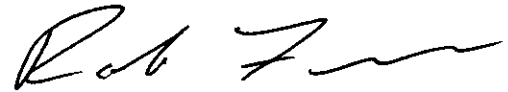
Pursuant to section 159 of the *Petroleum and Natural Gas Act*, the Board orders as follows:

1. Upon payment of the amounts set out in paragraphs 3 and 4, **Encana Corporation** shall have the Right of Entry to and access across the portions of lands legally described as **THE NORTH WEST ¼ OF SECTION 4, TOWNSHIP 81, RANGE 17 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT** as shown on the individual ownership plan attached as Appendix "A" (the "Lands") for the purpose of completing any necessary assessments the Oil and Gas Commission Well Permit requires and for the purpose of drilling, completing and operating a six well padsite.
2. **Encana Corporation's** right of entry shall be subject to the terms and conditions attached as Appendix "B" to this right of entry Order.
3. **Encana Corporation** shall deliver to the Surface Rights Board security in the amount of \$10,000 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to Encana Corporation, or paid to the landowner, upon agreement of the parties or as ordered by the Board.
4. **Encana Corporation** shall pay to the landowner as partial payment for compensation the amount of \$18,750.00 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.

Dated September 13, 2011

FOR THE BOARD

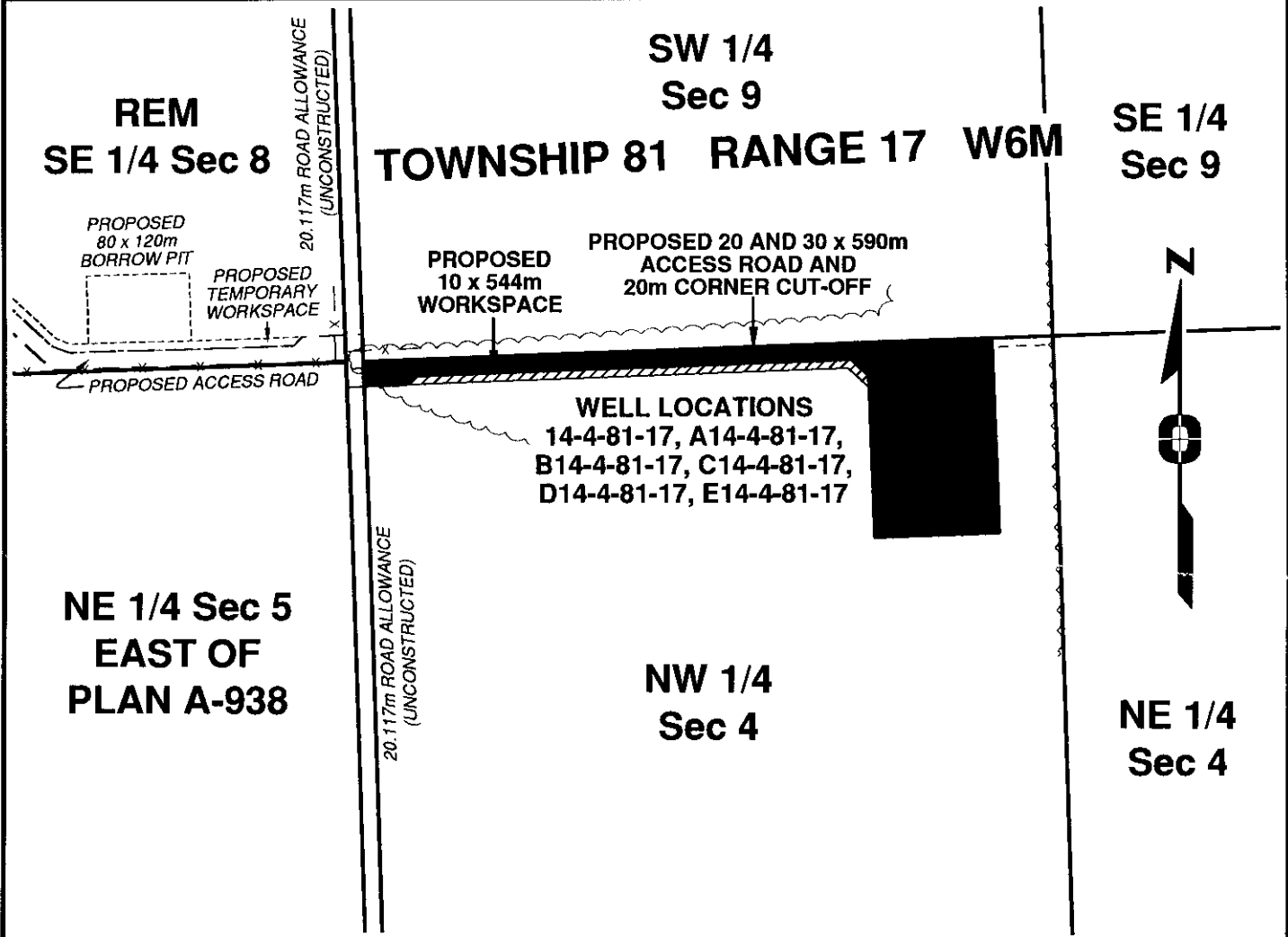
A handwritten signature in black ink, appearing to read "Rob Fraser". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Rob Fraser, Mediator

SCHEDULE "A"

Attached to and made part of this Agreement dated this _____ day of _____, 20____, between Michael Leigh Fraser and Aspen Lorraine Fraser (Lessor) and Encana Corporation (Lessee).

**INDIVIDUAL OWNERSHIP PLAN SHOWING
PROPOSED WELLSITE AND ACCESS ROAD WITHIN THE NORTH WEST 1/4
OF SECTION 4 TOWNSHIP 81 RANGE 17 W6M
PEACE RIVER DISTRICT**



Owner(s): Michael Leigh Fraser
Aspen Lorraine Fraser

Title No: CA1142354
Parcel Identifier: 012-897-353
Landowner File: S458564
EnCana File(s): S458564

100 0 100 200 300 400 500
The intended plot size of this plan is 216mm in width by 280mm in height when plotted at a scale of 1: 7500 (use letter size sheet)

Certified correct this 10th day of March, 2011.

(Signature)
Adam Brash, BCLS

Areas		
Permanent	4.59 ha	11.34 ac
Temporary	0.54 ha	1.33 ac
Total	5.13 ha	12.67 ac

FOCUS Focus Surveys
FCS Land Service Limited Partnership

Fort St. John
10716-100th Ave.
BC, V1J 1Z3
Ph. (250)787-0300
Fax (250)787-1611
www.focus.ca

Focus Job No: 100678NP01R1
Ref Dwg: 100678WS01R1
Drafter: SS

Appendix "B"

Conditions for Right of Entry

1. **Encana Corporation** will install a gate at the beginning of its wellsite access road where the property line meets the road allowance.
2. **Encana Corporation** will implement reasonable measures to control dust during the drilling and completion aspect of its project. These measures will be at the discretion of Encana and will be based on environmental factors that exist at the time of operations. Subject to environmental and safety considerations, Encana will use water on its access road to the Lands for dust control during drilling rig moves on and off the Lands and when completion activities are occurring.
3. **Encana Corporation** will notify the landowner prior to commencing construction, drilling and completion operations.
4. The landowner will have the option to retain the marketable timber.
5. During completion operations, **Encana Corporation** is prepared to use incineration instead of flaring if construction of the pipeline to this wellsite is not complete. If construction of the pipeline to this site is complete, **Encana Corporation** will test the well in-line.
6. Encana Corporation will notify the landowner of any material changes to our activity on the Lands.