

**File No. 1718
Board Order 1718-2**

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 continuation of a telephone mediation that began on August 25, 2011. One of the purposes of the mediation was to discuss amendments to Encana's application. During our first conference call it became apparent that the application contained the wrong size for the project on the Lands, the purpose for the access was incomplete, and the OGC had not issued a permit for the activities.

Subsequently the OGC has issued a permit, reflected in the wording in the amended application.

The size is corrected, reflecting only the portion on the Lands and not the total project. This is consistent with the map at Appendix A of the original application.

The Respondents do not oppose the amendments to Encana's application.

After a discussion with the parties I find that the amendments are not prejudicial to the Respondents, and that the changes are not material to the nature of the application.

ORDER

The Board amends Encana's application initially received on April 21, 2011 by replacing the contents of Section IV – Purpose of Access and Section V - Nature of Dispute with the wording that follows:

Amended Section IV - Purpose of Access

Set out the purpose for which access to the Land is needed:

At the time of submission of this application, the purpose of the application was to conduct a survey, soil assessment and archeological assessment for a wellsite located at 14-4-81-17 W6M with an intent to subsequently submit an application to the Oil and Gas Commission (OGC) for a permit. Since the submission of this application, Encana has been permitted to do some initial assessments on the proposed area and have submitted a request to the OGC for a permit with the understanding that any further assessment work that is required will be part of the application to the Surface Rights Board (SRB). Encana has received a permit from the 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.

Project Area in Hectares or Acres:

The entire project area measures 8.43 hectares. However, under this application the area on the Fraser's property that Encana is requesting a Right-of-Entry on covers 5.13 hectares.

Has a permit been issued for the proposed activity on the land? Yes No


Amended Section V - Nature of Dispute

Summarize the nature of the dispute and the specific issues where the parties disagree (attach additional pages if necessary):

Encana has been negotiating with the landowner to construct and drill 6 well padsite on their land located in the NW ¼ 4-81-17 W6M. It is Encana's understanding that the landowner is in agreement with the well and the placement of the wellsite and Encana has made commitments with respect to access, vegetation management, dust control and noise assessments to address the landowner's concerns. To Date Encana has not been able to agree with the landowner on compensation. Encana was moving forward with the necessary work to complete the survey, soil and archeological work. The work has subsequently stopped. As timing is of a concern Encana would like to proceed with the application to the Board for a Right of Entry Order so that Encana may finish any necessary work the OGC requires and 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-17 W6M.

Dated September 13, 2011

FOR THE BOARD



Rob Fraser, Mediator