

File No. 1745
Board Order No. 1745-2

September 26, 2012

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 NORTH WEST ¼ OF SECTION 12 TOWNSHIP 78 RANGE 18 WEST OF THE
6TH MERIDIAN PEACE RIVER DISTRICT, EXCEPT PARCEL A (F8005)

BLOCK A OF THE SOUTH WEST ¼ OF SECTION 12 TOWNSHIP 78 RANGE 18
WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT

THE SOUTH EAST ¼ OF SECTION 12 TOWNSHIP 78 RANGE 18 WEST OF THE 6TH
MERIDIAN PEACE RIVER DISTRICT

(The "Lands")

BETWEEN:

MURPHY OIL COMPANY LTD.

(Applicant)

AND:

WILLIS MORLEY SHORE
AND MITCHELL TODD SHORE

(Respondents)

BOARD ORDER

Murphy Oil Company Ltd. ("Murphy") applies pursuant to section 158 of the *Petroleum and Natural Gas Act* for mediation and arbitration and for a right of entry order to carry out an oil and gas activity on the Respondents' Lands, specifically the construction, operation and maintenance of three flow lines.

The Oil and Gas Commission ("OGC") has approved the routing of the flow lines and has issued a permit for this project.

The Respondents have appealed the OGC's permit to the Oil and Gas Appeal Tribunal ("the Tribunal"). The Tribunal has not issued a stay of the permit.

I conducted a telephone mediation on September 21, 2012, where the parties discussed the merits of the project and whether I should issue Murphy a right of entry order.

I considered the submissions and found that there was no impediment preventing the Board from issuing Murphy the right of entry. Supported by the fact that the OGC has issued a permit for this project, the Board is satisfied that Murphy requires right of entry to the Lands for the purposes of oil and gas activities.

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

ORDER

1. Upon payment of the amounts set out in paragraphs 3 and 4, Murphy shall have the Right of Entry to and access across the portion of the Lands shown on the individual ownership plans attached to this Order as Appendix "A" for the purpose of construction, operation and maintenance of the flow lines authorized by OGC Pipeline Permit 9706395 .
2. Murphy's right of entry shall be subject to the terms and conditions attached as Appendix "B" to this right of entry Order.
3. Murphy shall deliver to the Surface Rights Board security in the amount of \$7,500.00 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to Murphy, or paid to the landowners, upon agreement of the parties or as ordered by the Board.
4. Murphy shall pay to the landowners as partial payment for compensation the amount of \$15,000.00.

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 26, 2012

FOR THE BOARD

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

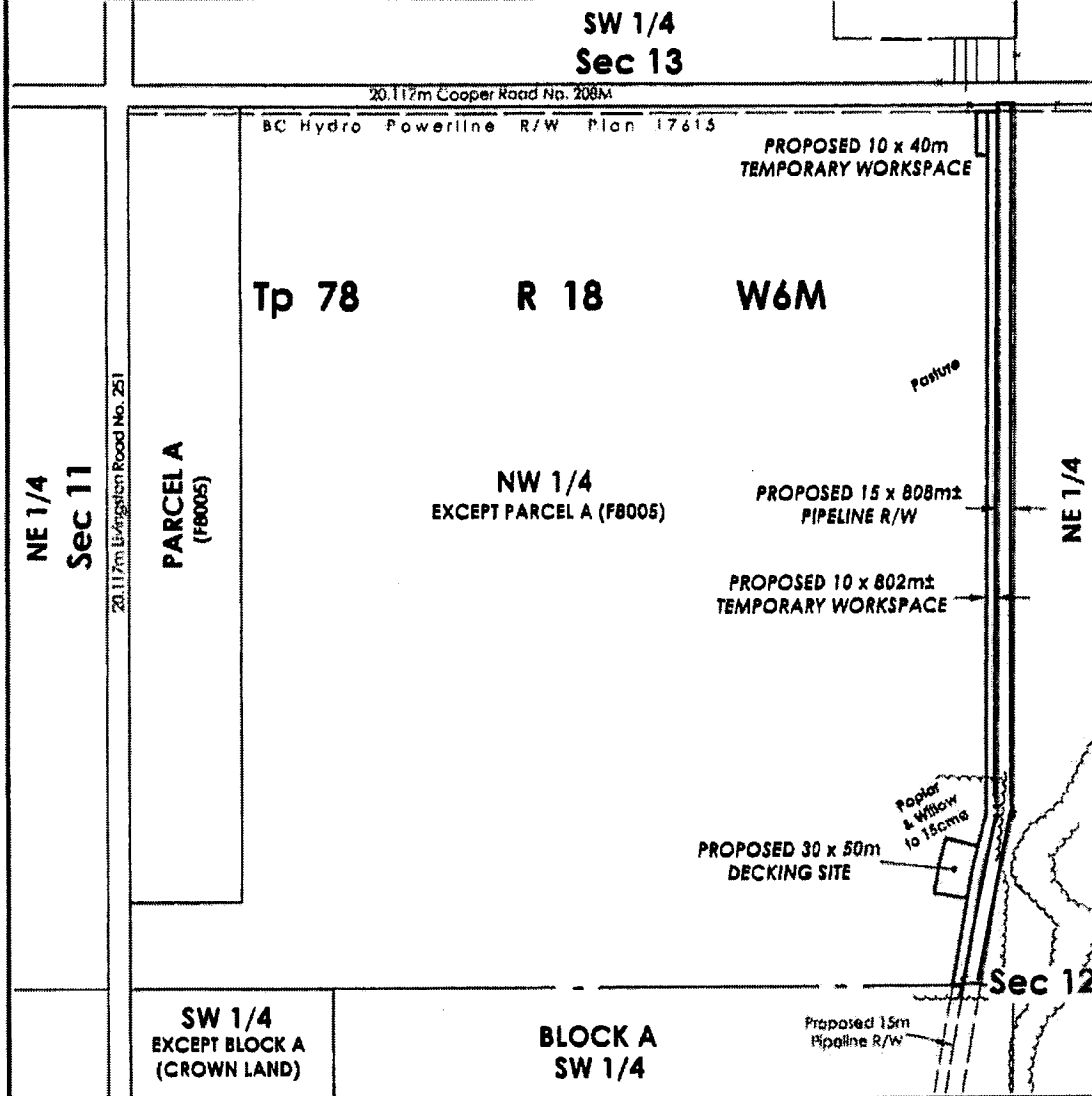
Rob Fraser
Mediator

Schedule "A"

Page ___ of ___

Attached to and made part of a Lease dated this ___ day of _____, 20___, between
Willis Morley Shore and Mitchell Todd Shore as Owner and **Murphy Oil Company Ltd.** as Company.

**MURPHY OIL COMPANY LTD.
 INDIVIDUAL OWNERSHIP PLAN
 SHOWING PROPOSED
 15m PIPELINE R/W, WORKSPACES AND DECKING SITE IN
 NW 1/4 Sec 12, Tp 78, R18, W6M
 EXCEPT PARCEL A (F8005)
 PEACE RIVER DISTRICT**



TITLE No.: PC9784 **P.I.D. No.:** 013-336-029
OWNER(S): Willis Morley Shore
 Mitchell Todd Shore

LEGEND
 SCALE = 1 : 5,000
 Portions referred to:
 Notes: Distances shown are in metres.
 Certified correct this
 3rd day of February, 2012

AREA REQUIRED:

For 15m Pipeline R/W	1.21 ha	2.99 ac
Workspaces	0.84 ha	2.08 ac
Decking Sites	0.15 ha	0.37 ac
TOTAL:	2.20 ha	5.44 ac

Bryan Bates, BCLS

NO	DATE	REVISION	DRN	CKD
0	12/01/02	Original plan issued	RC	BPB
1	12/02/03	Pipeline Width Changed	GJP	BPB

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 can-am geomatics Inc Phone: 250.787.7171
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 www.canam.com Fax: 250.787.2323

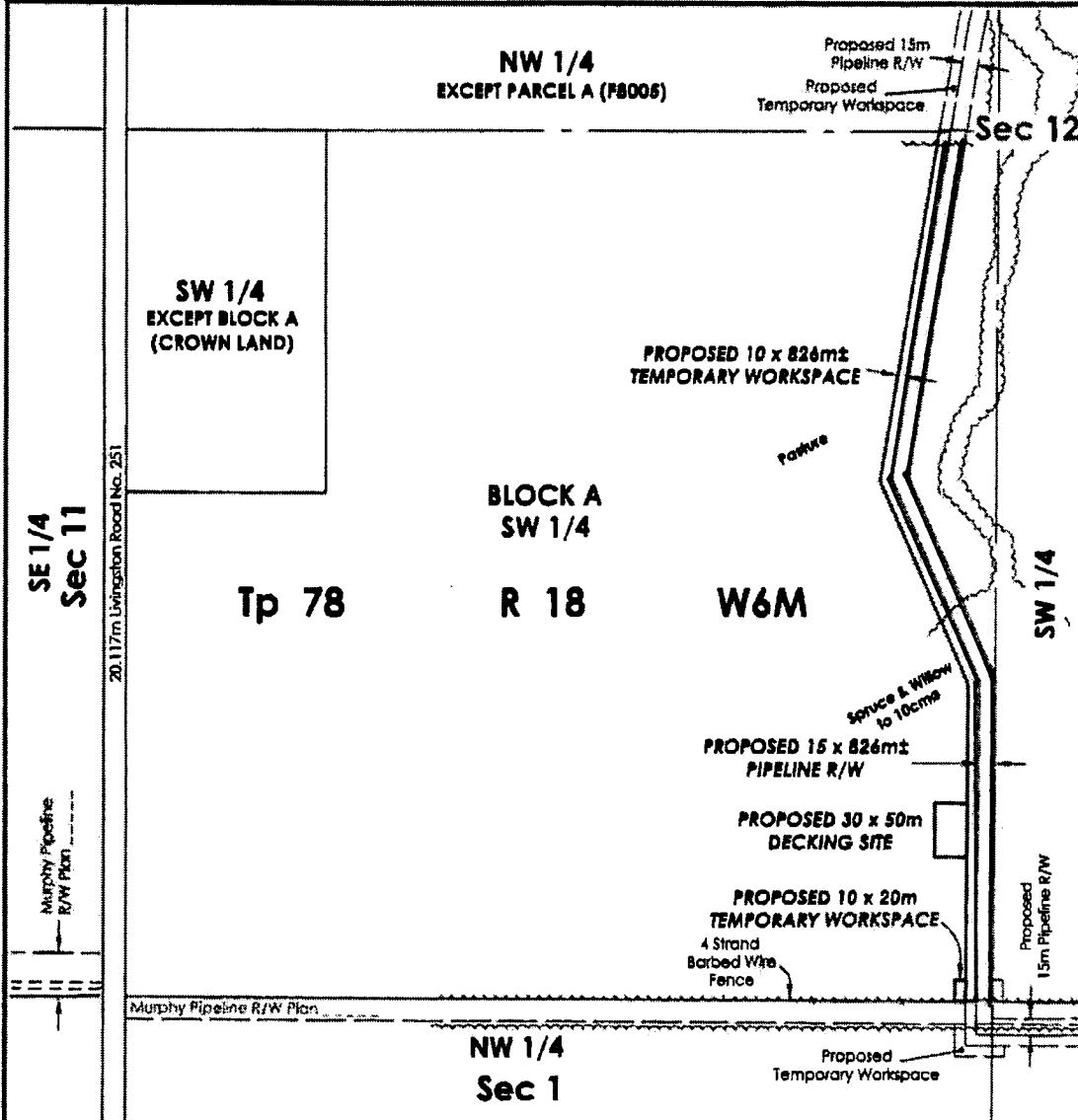
CAN-AM FILE:
 CAD FILE: J20110605IOPAI
 Client File No.:
 AFE No.: 54096129-709
 Land File No.:
 REVISION

Schedule "A"

Page ___ of ___

Attached to and made part of a Lease dated this ___ day of _____, 20___, between
Willis Morley Shore and Mitchell Todd Shore as Owner and Murphy Oil Company Ltd. as Company.

**MURPHY OIL COMPANY LTD.
 INDIVIDUAL OWNERSHIP PLAN
 SHOWING PROPOSED
 15m PIPELINE R/W, WORKSPACES AND DECKING SITE IN
 BLOCK A, SW 1/4 Sec 12, Tp 78, R18, W6M
 PEACE RIVER DISTRICT**



TITLE No.: PC9783 **P.I.D. No.:** 013-335-979 **LEGEND**
OWNER(S): Willis Morley Shore
 Mitchell Todd Shore SCALE = 1: 5,000
 Partlons referred to:
 Notes: Distances shown are in metres.
 Certified correct this
 3rd day of February, 2012

AREA REQUIRED:

For 15m Pipeline R/W	1.24 ha	3.06 ac
Workspaces	0.85 ha	2.10 ac
Decking Sites	0.15 ha	0.37 ac
TOTAL:	2.24 ha	5.53 ac

Bryan Bates, BCLS

NO.	DATE	REVISION	DRN	CRD	CAN-AM FILE:
0	12/01/02	Original plan issued	RC	BPB	
1	12/02/03	Pipeline Width Changed	GJP	BPB	Client File No.:
					AFE No.: 54096128-709
					Land File No.:

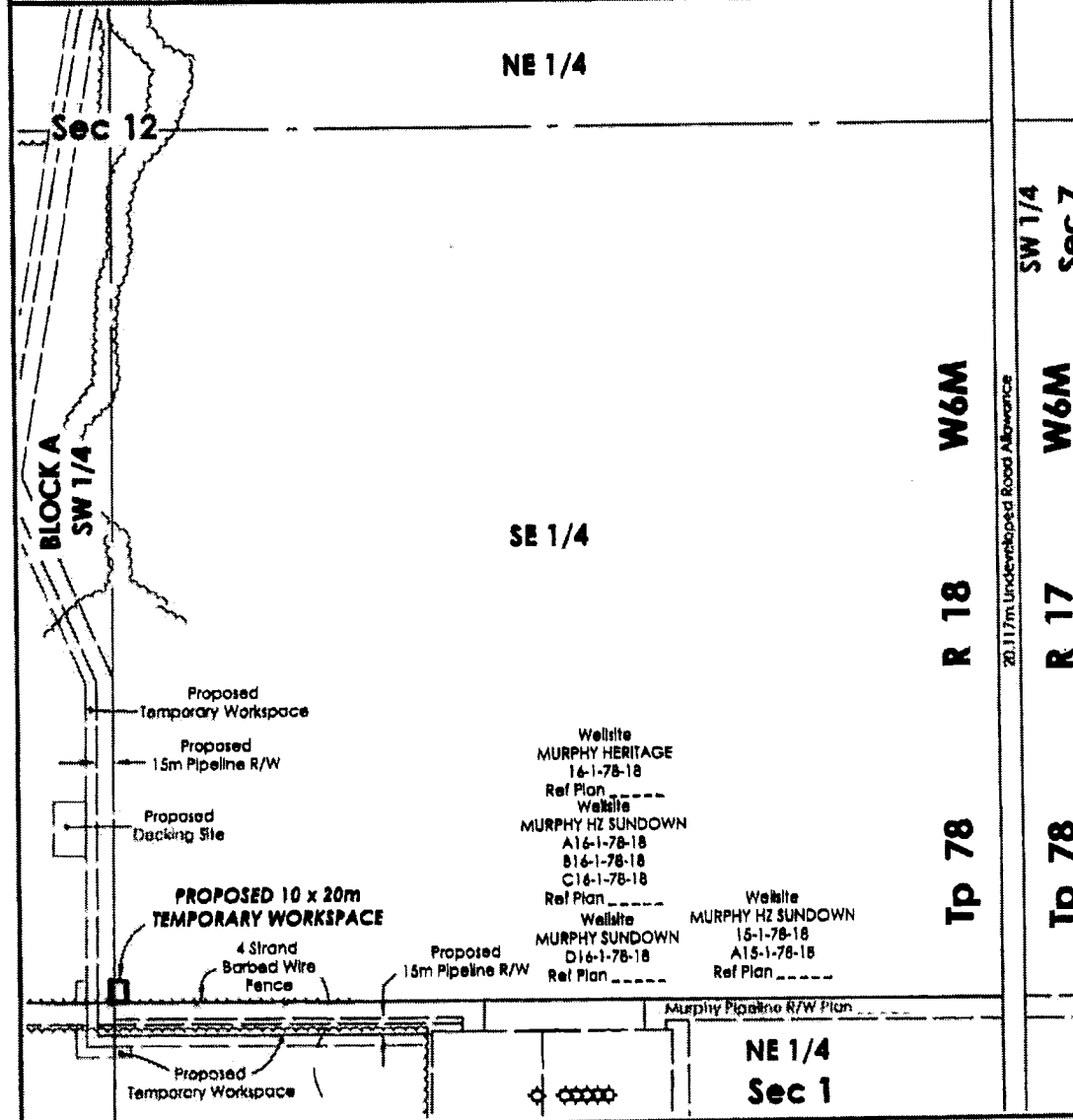
can-am geomatics.

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 www.canam.com Fax: 250.787.2323



Schedule "A" Page ___ of ___
 Attached to and made part of a Lease dated this ___ day of _____, 20___, between
Willis Morley Shore as Owner and **Murphy Oil Company Ltd.** as Company.

**MURPHY OIL COMPANY LTD.
 INDIVIDUAL OWNERSHIP PLAN
 SHOWING PROPOSED
 WORKSPACE IN
 SE 1/4 Sec 12, Tp 78, R18, W6M
 PEACE RIVER DISTRICT**



TITLE No.: D3204 **P.I.D. No.:** 011-239-751
OWNER(S): Willis Morley Shore

LEGEND
 SCALE = 1: 5,000
 Portions referred to:
 Notes: Distances shown are in metres.
 Certified correct this
 21st day of February, 2012

AREA REQUIRED:
 Workspace 0.02 ha 0.05 ac
TOTAL: 0.02 ha 0.05 ac

Bryan Bates, BCLS

NO	DATE	REVISION	DRN	CKD
0	12/01/02	Original plan issued	RC	BPB
1	12/02/21	Updated Scenery	GJP	BPB

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CAN-AM FILE:	
CAD FILE: J2011060SIOPEI	
Client File No.:	1 REVISION
AFE No.: 54096129-709	
Land File No.:	

Appendix "B"**Conditions for Right of Entry**

1. Murphy shall provide reasonable notice to the landowners prior to the start of construction of the Statutory Right of Way.
2. All Drainages, whether man-made or natural, insofar as reasonably practicable, shall be restored to the same or substantially the same condition as existed prior to the start of the Statutory Right of Way construction.
3. All Pipelines shall be buried such that there is a minimum cover of 1.5m, which should allow the landowners to cross such Statutory Right of Way under normal agricultural operations. Should the landowners wish to cross the pipeline with unusually heavy equipment (whether or not related to agricultural operations), The landowners shall provide Murphy sufficient prior notice such that Murphy, in compliance with governmental regulations, has a reasonable opportunity to ensure such measures and works are in place to allow for safe crossing.
4. Murphy shall install temporary barbed wire gates at all fence crossings and shall permanently repair such fences after construction has been completed.
5. Murphy shall stack and deck merchantable timber as reasonably requested by the landowners. Any timber or residual debris not wanted by the landowners shall be piled and burned.
6. Murphy shall make a reasonable effort to prevent the entry and spread of weeds on the Lands caused by Murphy's operations on the Right of Way Lands. Murphy shall assume responsibility for the control of noxious weeds on the Lands caused by Murphy's operations.