

File No. 1795
Board Order No. 1795-1

February 22, 2013

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
SOUTHWEST ¼ OF SECTION 32, TOWNSHIP 81, RANGE 17 WEST OF THE
6TH MERIDIAN, PEACE RIVER DISTRICT EXCEPT PLAN A938

(The "Lands")

BETWEEN:

ARC Resources Ltd.

(APPLICANT)

AND:

Daniel Leigh Kerr and Patricia Albra Bell

(RESPONDENTS)

BOARD ORDER

ARC Resources Ltd. ("ARC") seeks a right of entry order to access certain lands legally owned by Daniel Leigh Kerr and Patricia Albra Bell to carry out an approved oil and gas activity, namely the construction, operation and maintenance of flow lines.

On January 31, 2013, 2012, I conducted a mediation attended by P. Bell and E. Gowman for the landowners, and D. Rosie and R. Williams for ARC. During the mediation the parties discussed ARC's application for a Right of Entry order, and they also discussed the possible terms and conditions. At that time, the Oil and Gas Commission had not approved ARC's permit for the project, but subsequently issued their permit on February 20, 2013.

In the results correspondence I said: "The Board will issue the right of entry order once the OGC has issued its permit. Ms. Bell said she would spend some time examining the draft and may have suggestions for change. If so, I will try to deal with them without convening a further telephone mediation call." Ms. Bell did not provide any further suggestions.

The Board is satisfied that Arc requires the Right of Entry for an oil and gas activity, as this project involves moving product through flow lines from its wells to a plant. The fact the Oil and Gas Commission has approved this project supports this finding.

ORDER

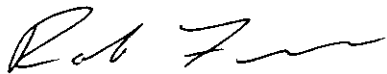
Pursuant to section 159 of the *Petroleum and Natural Gas Act*, the Board orders as follows:

1. Upon payment of the amounts set out in paragraphs 3 and 4, ARC Resources Ltd. (ARC) shall have the right of entry to and access across the portions of the lands legally described as SOUTHWEST $\frac{1}{4}$ OF SECTION 32, TOWNSHIP 81, RANGE 17 WEST OF THE 6TH MERIDIAN, PEACE RIVER DISTRICT EXCEPT PLAN A938 as shown outlined in red on the Individual Ownership Plan attached as Appendix "A" (the "Lands") for the purpose of carrying out the approved oil and gas activities, namely the construction, operation and maintenance of flow lines and associated works.
2. ARC's right of entry shall be subject to the terms and conditions attached as Appendix "B" to this right of entry Order.

3. ARC shall deliver to the Surface Rights Board security in the amount of \$2,500.00 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to ARC, or paid to the landowners, upon agreement of the parties or as ordered by the Board.
4. ARC shall pay to the landowners as partial compensation (including timber loss) the amount of \$8,000.00.
5. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

DATED: February 22, 2013

FOR THE BOARD



Rob Fraser, Mediator

APPENDIX "B"
CONDITIONS FOR RIGHT OF ENTRY

1. ARC shall make all reasonable efforts to contain its operations to the areas indicated in red on the Individual Ownership Plan, including but not limited to, the travel and movement of personnel, vehicles, equipment, unless otherwise approved by the landowners.
2. ARC shall make a reasonable effort to prevent the entry and spread of weeds on the Lands caused by ARC's operations.
3. ARC covenants and agrees to indemnify and save harmless the landowner from liabilities, damages, costs, claims, liens, suits or actions arising directly out of ARC's operations on the Lands, other than arising from or related to the wilful conduct or negligence of the landowners.
4. ARC will make all reasonable attempts to notify the landowners if any work, other than routine maintenance or inspection, is to be done on the Lands.