

File No. 1823
Board Order No. 1823-2

May 6, 2014

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 SOUTH WEST $\frac{1}{4}$ OF SECTION 9 TOWNSHIP 79 RANGE 17 WEST OF
THE 6TH MERIDIAN PEACE RIVER DISTRICT

(The "Lands")

BETWEEN:

Encana Corporation

(APPLICANT)

AND:

Wesley Boris Ilnisky and
Laurene Mabelle Ilnisky

(RESPONDENTS)

BOARD ORDER

Encana Corporation (“Encana”) seeks a right of entry order to access certain lands legally owned by Wesley Boris Ilnisky and Laurene Mabelle Ilnisky to carry out an approved oil and gas activity, namely the construction, operation and maintenance of flow lines and associated works. The total project is 1.03 acres, with 0.472 acres of temporary workspace and 0.531 acres of right of way.

The Oil and Gas Commission has issued a permit for this project.

On May 5, 2014, the Board conducted a mediation attended by Encana’s representatives and the Landowners. They discussed the Board’s jurisdiction to deal with this application, the proposed right of entry order and briefly touched on compensation.

The Board heard submissions regarding the Board’s jurisdiction to hear this application, with the Landowners arguing the flow lines are pipe lines beyond the Board’s jurisdiction. In Board Order 1823-1 issued on April 11, 2014, the Board found the pipe lines are flow lines and the Board has jurisdiction over this application. Although within the appeal period for the filing of a judicial review, in the absence of any order to stay the Board’s processes I continued with hearing submissions on the right of entry order and compensation.

The Landowners claim the amount of partial compensation offered by the company is not sufficient. I find the amount offered is not out of line considering the scope of the project and the amounts paid for other rights of way. Since it is partial compensation, the amount does not limit the Landowners’ ability to negotiate more.

Encana says it requires the Lands as part of a larger project. I am satisfied that they require the lands for an approved oil and gas activity, supported by the fact the Oil and Gas Commission has issued a permit for this project.

ORDER

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 SOUTH WEST ¼ OF SECTION 9, TOWNSHIP 79, RANGE 17 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT** as shown on the individual ownership plan attached as Appendix “A” (the “Lands”) to carry out an approved oil and gas activity, namely the construction, operation, and maintenance of multiple flow lines and associated works.

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 \$2500.00 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 \$2000.00 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 May 6, 2014

FOR THE BOARD

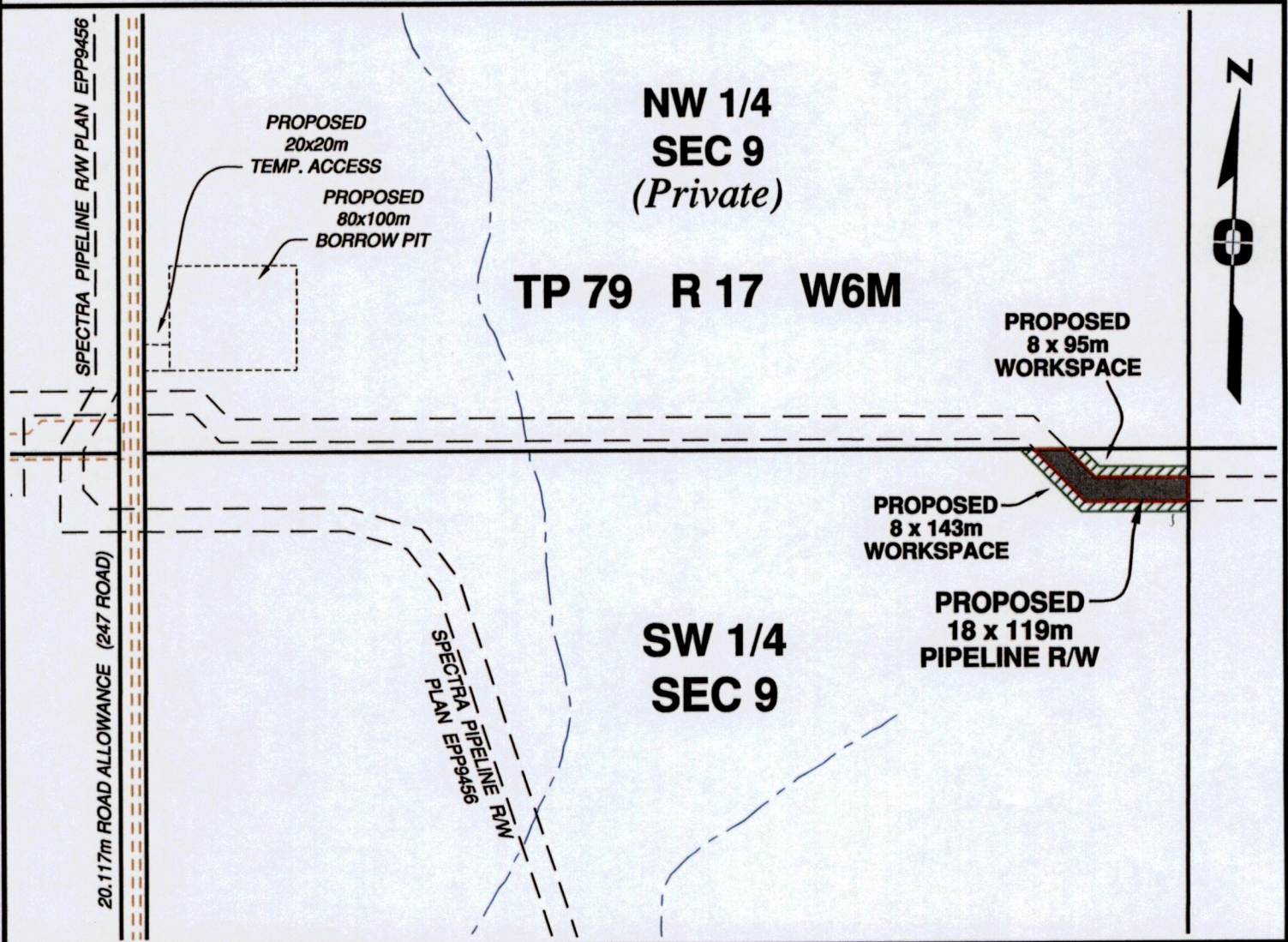


Rob Fraser, Mediator

SCHEDULE "A"

Attached to and made part of this Agreement dated this ___ day of ___, 20___, between Wesley Boris Ilnisky and Laurene Mabelle Ilnisky (Lessor) and Encana Corporation (Lessee).

**INDIVIDUAL OWNERSHIP PLAN SHOWING
PROPOSED PIPELINE RIGHT OF WAY WITHIN
THE SOUTH WEST 1/4 OF SECTION 9, TOWNSHIP 79, RANGE 17, W6M
PEACE RIVER DISTRICT
(Associated with Pipeline R/W from Wellsite 11-8-79-17 to Wellsite 12-10-79-17)**



Owner(s): Wesley Boris Ilnisky
Laurene Mabelle Ilnisky

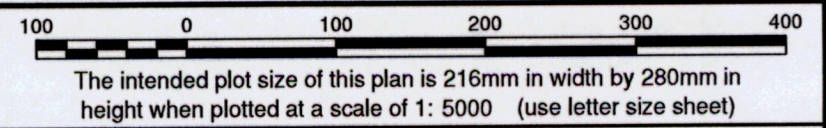
Title No: LA142043

Parcel Identifier: 014-510-251

Landowner File: S455932

EnCana File(s): S455731

| Areas | | |
|--------------|--|----------------------------|
| Permanent | | 0.215 ha 0.531 ac |
| Temporary | | 0.191 ha 0.472 ac |
| Total | | 0.406 ha 1.003 ac |



Certified correct this 24th day of April, 2012.

Adam Brash, BCLS

| | | |
|--|--|-----------------------------------|
| FOCUS Focus Surveys FCS Land Services 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: 091022NP04R2 |
| | | Ref Dwg: 091022CP01R4 |
| | | Drafter: KG/DG |

Appendix "B"

Conditions for Right of Entry

1. **Encana Corporation** must notify the landowner forty-eight (48) hours prior to entry onto the said lands. **Encana Corporation** shall also provide the names and telephone numbers of a designated surface land and construction contact person.
2. **Encana Corporation** shall contain its operations to the area within the surveyed right-of-way and temporary work space areas, including the travel and movement of personnel, equipment, and vehicles. Any trespass off the right-of-way or outside of the temporary workspace areas shall be compensated as a new taking in accordance with the *Petroleum and Natural Gas Act*.
3. **Encana Corporation** shall salvage all timber/logs, posts and firewood on the said lands in a manner as agreed between the parties for the landowners use.
4. In the event the Lands are developed, **Encana Corporation** shall work with the landowner to ensure that **Encana Corporation's** operations minimally interfere with the landowner's proposed development.