

File No. 1858
Board Order No. 1858-1amd

April 11, 2016

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 EAST 1/4 OF SECTION 23 TOWNSHIP 83 RANGE 16 WEST OF
THE 6th MERIDIAN PEACE RIVER DISTRICT
THE NORTH WEST 1/4 OF SECTION 24 TOWNSHIP 83 RANGE 16 WEST OF
THE 6th MERIDIAN PEACE RIVER DISTRICT
THE NORTHEAST 1/4 OF SECTION 26 TOWNSHIP 83 RANGE 16 WEST OF
THE 6th MERIDIAN PEACE RIVER DISTRICT**

(The "Lands")

BETWEEN:

Fernand Charles Mertens

(APPLICANT)

AND:

Leucrotta Exploration Inc.

(RESPONDENT)

BOARD ORDER

This Order amends and replaces Order 1858-1 to attach the correct Schedule "A".

On April 25, 2015, the landowner, Mr. Mertens, commenced a rent review proceeding before the Surface Rights Board, in respect of three existing surface leases held by the Respondent, Leucrotta Exploration Inc. ("Leucrotta"), over the Lands.

On October 8, 2015, I conducted a telephone mediation call attended by landowner Fernand Charles Mertens and his representative, Thor Skafte, as well as by Kiel Crowe and Rick Williams on behalf of Leucrotta. The parties reached an agreement on the issue of compensation, but not on the issue of costs (which has since been referred to arbitration).

The parties have now requested that the Board grant an Order confirming the terms of settlement. The parties have agreed that this Order shall replace the existing surface leases held by Leucrotta over the Lands.

ORDER

1. Upon payment of the amounts set out in paragraphs 2 and 3, Leucrotta shall have the right of entry to and access across the portions of the Lands shown outlined in red on the Individual Ownership Plans attached collectively as Schedule "A" to this Order, for the purpose of carrying out certain approved oil and gas activities, namely, the operation and maintenance of the depicted natural gas wellsites and associated works depicted therein.
2. Leucrotta shall pay Mr. Mertens the total amount of \$3,000 (\$1,000 for each of the parcels to which this right of entry order applies), within 30 days of the date of this Order.
3. Leucrotta shall pay Mr. Mertens the following amounts in respect of annual compensation, on the anniversary dates set out below:

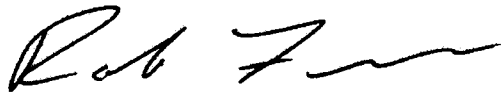
Parcel	Amount	Anniversary Date
SE 1/4 Sec. 23, TP 83, R 16, W6M (PID 013-864-343)	\$5,000.00	November 9, 2016
NW 1/4 Sec. 24, TP 83, R 16 W6M	\$5,241.00	November 13, 2016

(PID 014-577-682)		
NE 1/4 Sec. 26, TP 83, R 16, W6M (PID 010-806-288)	\$4,080.00	February 21, 2016

4. Nothing in this order operates as a consent, permission, approval or authorization of matters within the jurisdiction of the Oil and Gas Commission.
5. Leucrotta shall submit a copy of this Order to the applicable British Columbia Land Title Office to be registered against title to each of the above-noted parcels of the Lands within 30 days of the date of this Order.

DATED: April 11, 2016

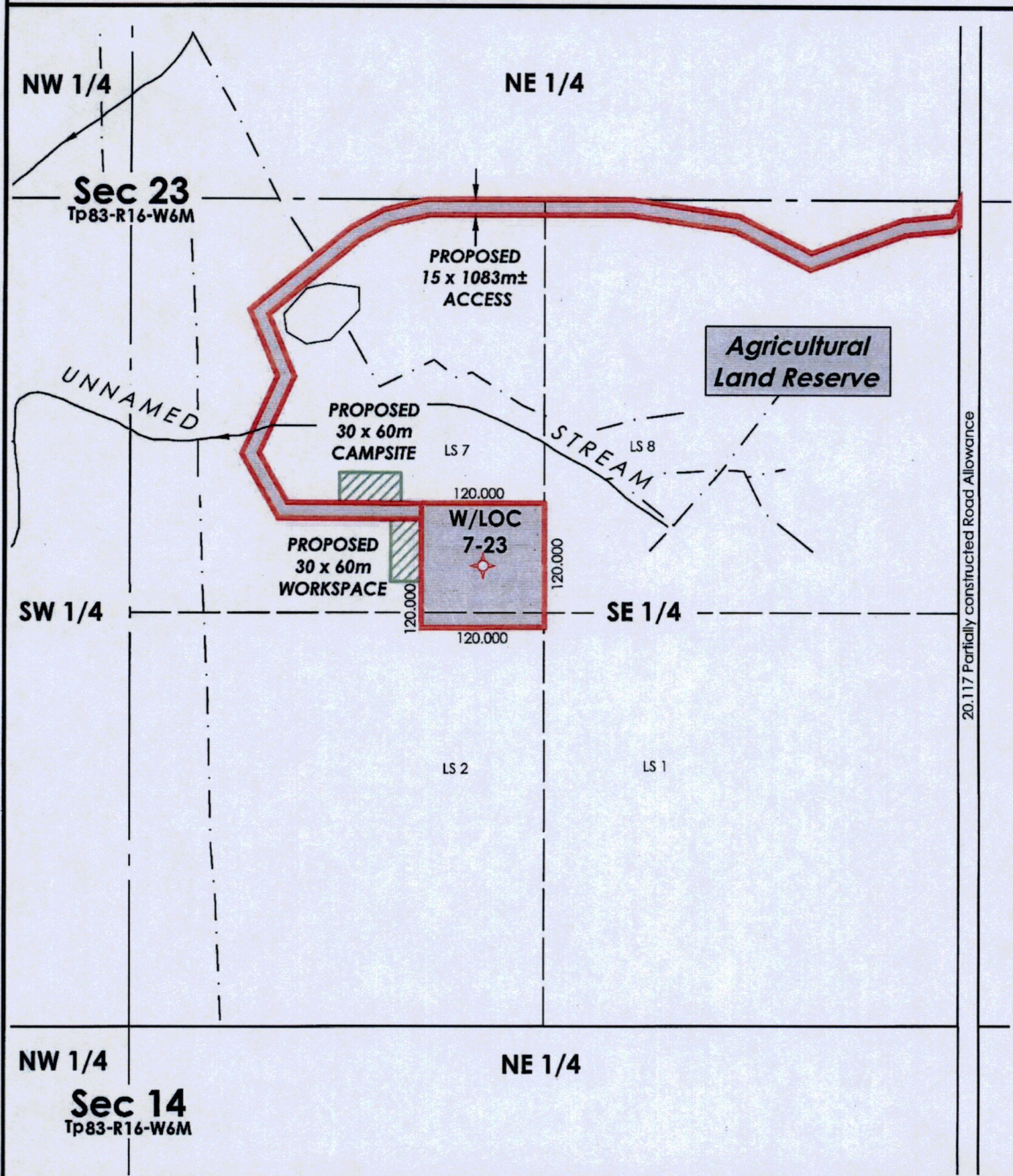
FOR THE BOARD



Rob Fraser, Mediator

SCHEDULE "A" ORDER
1858-1



**LEUCROTTA EXPLORATION INC.
INDIVIDUAL OWNERSHIP PLAN
SHOWING PROPOSED
WELLSITE AND ACCESS IN
SE 1/4 Sec 23, Tp 83, R 16, W6M
PEACE RIVER DISTRICT**



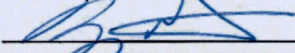
TITLE No.: PC20490 **P.I.D. No.:** 013-864-343
OWNER(S): Fernand Charles Mertens

AREA REQUIRED:

Wellsite	1.44 ha	3.56 ac
Access	1.62 ha	4.00 ac
Campsite	0.18 ha	0.44 ac
Workspace	0.18 ha	0.44 ac
TOTAL:	3.42 ha	8.44 ac


NOTES
 SCALE = 1 : 5,000
 Distances shown are in metres.
 Permanent Portions referred to: 
 Temporary Portions referred to: 

Certified correct this
 22nd day of March, 2016.


 Bryan Bates, BCLS 776

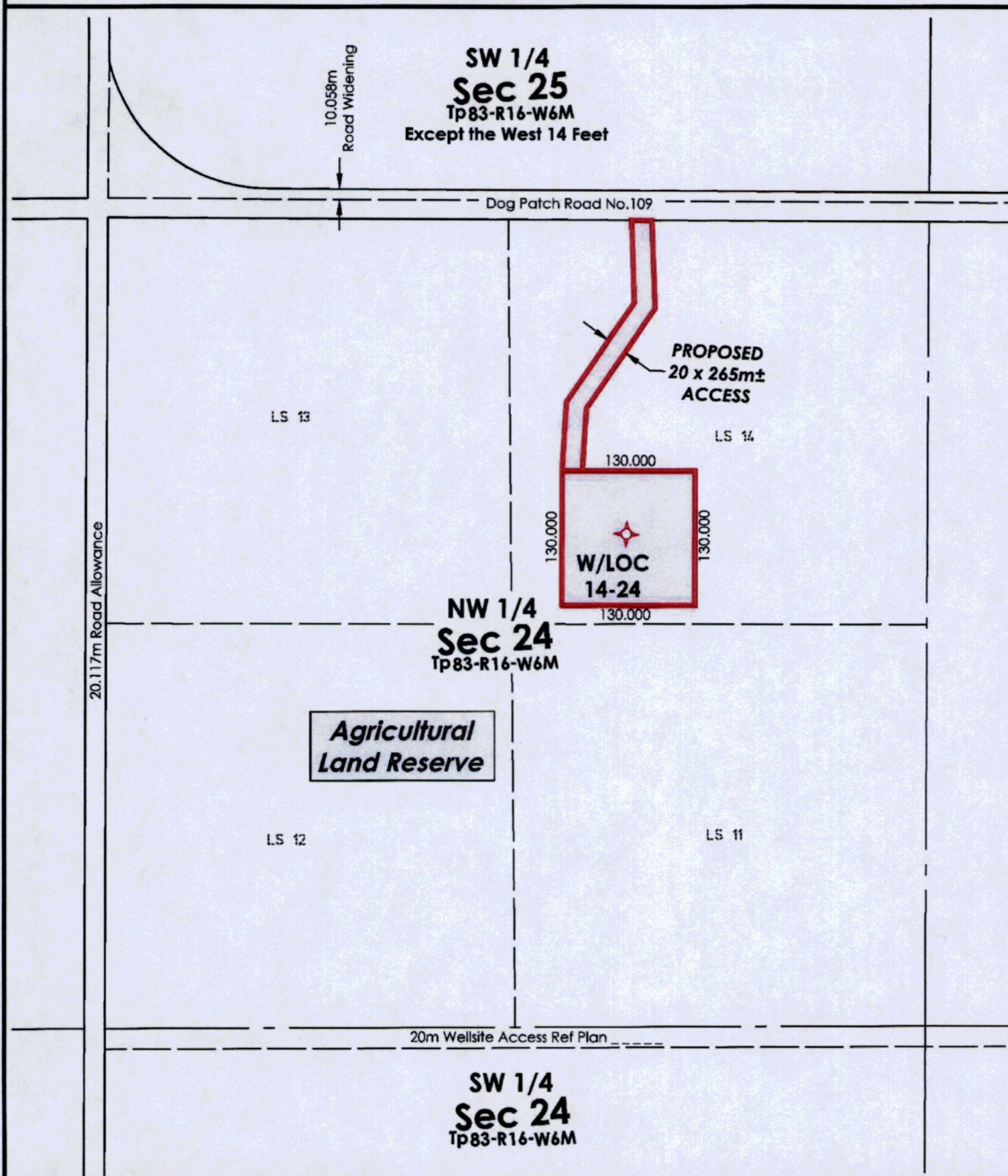
NO.	DATE	REVISION	DRN	CKD
0	16/03/22	Original plan issued	JJL	WC

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 can-am geomatics bc Phone: 250.787.7171
 Fort St. John, B.C. Toll Free: 1.866.208.0983
 www.canam.com Fax: 250.787.2323


CAN-AM FILE: B20160131
 CAD FILE: B20160131IOP-0
 Client File No.:
 AFE No.:
 Land File No.:
 REVISION 

SCHEDULE "A" ORDER
1858-1

LEUCROTTA EXPLORATION INC.
INDIVIDUAL OWNERSHIP PLAN
 SHOWING PROPOSED
 WELLSITE AND ACCESS IN
 NW 1/4 SEC 24, TP 83, R 16, W6M
 PEACE RIVER DISTRICT

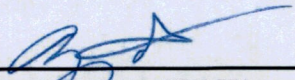


TITLE No.: K32788 **P.I.D. No.:** 014-577-682
OWNER(S): Fernand Charles Mertens

LEGEND
 SCALE = 1 : 5,000
 Portions referred to: 
 Notes: Distances shown are in metres.
 Certified correct this
 22nd day of March, 2016.


AREA REQUIRED:

Wellsite	1.69 ha	4.18 ac
Access	0.53 ha	1.31 ac
TOTAL:	2.22 ha	5.49 ac


 Bryan Bates, BCLS 776

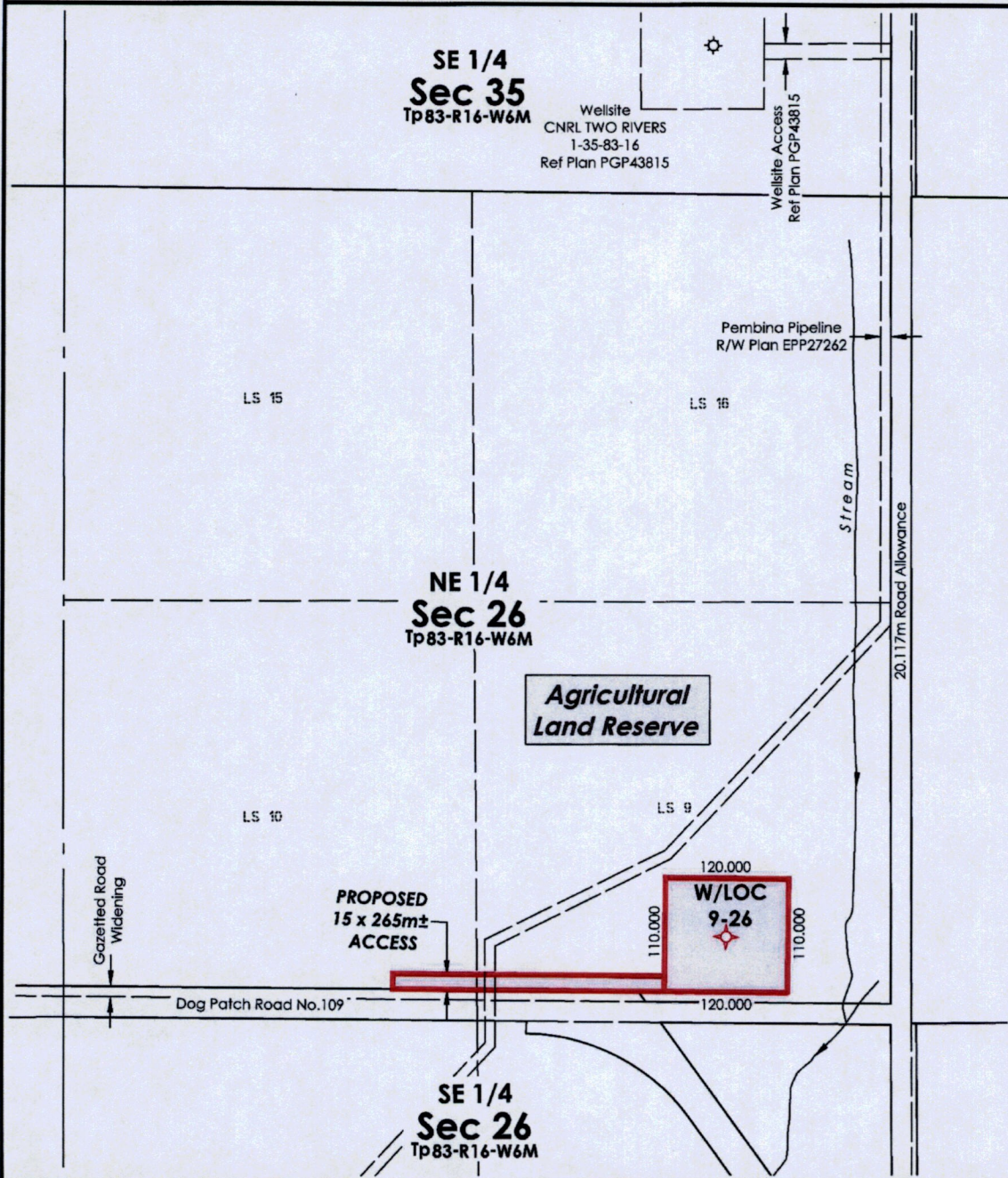
NO.	DATE	REVISION	DRN	CKD
0	16/03/22	Original plan issued	DL	WC

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CAN-AM FILE: B20160130
 CAD FILE: B20160130IOP-0
 Client File No.:
 AFE No.:
 Land File No.:

 REVISION

SCHEDULE 'A' ORDER
1858-1

LEUCROTTA EXPLORATION INC.
INDIVIDUAL OWNERSHIP PLAN
 SHOWING PROPOSED
 WELLSITE AND ACCESS IN
 NE 1/4 SEC 26, TP 83, R 16, W6M
 PEACE RIVER DISTRICT

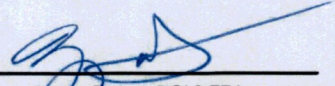


TITLE No.: E6137 **P.I.D. No.:** 010-806-288
OWNER(S): Fernand Charles Mertens

LEGEND
 SCALE = 1 : 5,000
 Portions referred to: 
 Notes: Distances shown are in metres.
 Certified correct this
 22nd day of March, 2016.


AREA REQUIRED:

Wellsite	1.32 ha	3.26 ac
Access	0.40 ha	0.99 ac
TOTAL:	1.72 ha	4.25 ac


 Bryan Bates, BCLS 776

NO	DATE	REVISION	DRN	CKD
0	16/03/22	Original plan issued	DL	WC

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CAN-AM FILE: B20160133
 CAD FILE: B20160133IOP-0
 Client File No.:
 AFE No.:
 Land File No.:

 REVISION