File No. 1859
Board Order No. 1859-1

March 31, 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 ½ OF SECTION 32 TOWNSHIP 83 RANGE 15 WEST OF THE 6TH
MERIDIAN PEACE RIVER DISTRICT, EXCEPT THE MOST WESTERLY AND
SOUTHERLY 80 FEET IN PARALLEL WIDTHS THEREOF

(The "Lands")

BETWEEN:			
	Roy Giesbrecht and Susan Giesbrecht		
	(APPLICANTS)		
AND:			
	Leucrotta Exploration Inc.		
	(RESPONDENT)		
	BOARD ORDER		

On April 25, 2015, the landowners, Roy and Susan Giesbrecht, commenced a rent review proceeding before the Surface Rights Board, in respect of two 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 the Giesbrechts and their representative, Thor Skafte, as well as 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 the settlement and granting Leucrotta right of entry to the Lands. 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 wellsite, riser site, and associated works depicted therein.
- 2. Leucrotta shall pay the Giesbrechts the total amount of \$2,000 within 30 days of this Order.
- 3. Leucrotta shall pay the Giesbrechts the following amounts in respect of annual compensation, on the anniversary dates set out below:

Oil and Gas Activity	Amount	Anniversary Date
Wellsite 6-32-83-15W6	\$6,357.00	December 1, 2016
Riser Site	\$600.00	June 30, 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 the Lands, within 30 days of the date of this Order.

DATED: March 31, 2016

FOR THE BOARD

Rob Fraser, Mediator

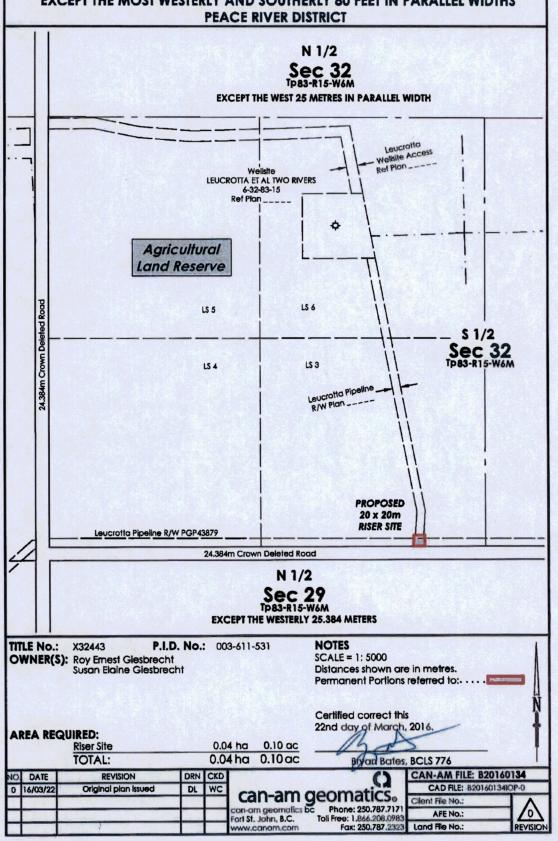
SCHEDULE "A" ORDER

LEUCROTTA EXPLORATION INC. INDIVIDUAL OWNERSHIP PLAN SHOWING PROPOSED

RISER SITE IN

\$ 1/2 Sec 32, Tp 83, R 15, W6M

EXCEPT THE MOST WESTERLY AND SOUTHERLY 80 FEET IN PARALLEL WIDTHS



SCHEDULE"A" ORDE 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 0 SE 1/4 Sec 35 Tp83-R16-W6M e Access PGP43815 Wellsite CNRL TWO RIVERS 1-35-83-16 Ref Plan PGP43815 Pembina Pipeline R/W Plan EPP27262 LS 15 LS 16 NE 1/4 Sec 26 Tp83-R16-W6M Agricultural Land Reserve LS 9 LS 10 120.000 Gazetted Road

Widening W/LOC PROPOSED 15 x 265m± 9-26 10.000 ACCESS Dog Patch Road No.109 120,000 SE 1/4 Sec 26
TP83-R16-W6M LEGEND P.I.D. No.: 010-806-288 TITLE No.: E6137 SCALE = 1: 5,000 OWNER(S): Fernand Charles Mertens Notes: Distances shown are in metres. Certified correct this 22nd day of March, 2016. AREA REQUIRED: Wellsite 1.32 ha 3.26 ac 0.99 ac 0.40 ha Access 1.72 ha 4.25 ac TOTAL: Bryan Bates, BCLS 776 CAN-AM FILE: B20160133 CKD REVISION DRN DATE CAD FILE: B20160133IOP-0 16/03/22 Original plan issued DL WC 0 can-am geomatics. Client File No.: can-am geomatics bc Fort St. John, B.C. Phone: 250.787.7171 0 AFE No.: Toll Free: 1.866.208.0983 Land File No. REVISION www.canam.com Fax: 250.787.2323