

March 23, 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 $\frac{1}{2}$ OF THE SOUTH $\frac{1}{2}$ OF SECTION 10 TOWNSHIP 85 RANGE
21 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT;
BLOCK A OF SECTION 10 TOWNSHIP 85 RANGE 21 WEST OF THE 6TH
MERIDIAN PEACE RIVER DISTRICT;
THE NORTH $\frac{1}{2}$ OF THE NORTH $\frac{1}{2}$ OF SECTION 3 TOWNSHIP 85 RANGE
21 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT;
GRAZING LEASE ON THE SOUTH $\frac{1}{2}$ OF SOUTHEAST $\frac{1}{4}$ OF SECTION 15, THE
NORTH EAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 10,
THE EAST $\frac{1}{2}$ OF SECTION 1, ALL OF TOWNSHIP 85 RANGE 21 WEST OF THE
6TH MERIDIAN PEACE RIVER DISTRICT AND CONTAINING 254.10 HECTARES,
MORE OR LESS
(The "Lands")

BETWEEN:

Warren Ralph Donis and
Nadine Lucia Donis

(APPLICANTS)

AND:

Terra Energy Corp.

(RESPONDENT)

BOARD ORDER

This is an application brought under sections 164 and 176 of the *Petroleum and Natural Gas Act*.

The Applicants, Warren Ralph Donis and Nadine Lucia DOnis, are the owners of the Lands described as:

THE SOUTH ½ OF THE SOUTH ½ OF SECTION 10 TOWNSHIP 85 RANGE 21 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT;
BLOCK A OF SECTION 10 TOWNSHIP 85 RANGE 21 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT;
THE NORTH ½ OF THE NORTH ½ OF SECTION 3 TWONSHIP 85 RANGE 21 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT;
GRAZING LEASE ON THE SOUTH ½ OF SOUTHEAST ¼ OF SECTION 15, THE NORTH EAST ¼ AND THE EAST ½ OF THE NORTHWEST ¼ OF SECTION 10, THE EAST ½ OF SECTION 1, ALL OF TOWNSHSHIP 85 RANGE 21 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT AND CONTAINING 254.10 HECTARES, MORE OR LESS

The Respondent, Terra Energy Corp., is the operator of wells and other oil and gas operations located on the Lands. The Respondent's right of entry to the Lands for the purpose of operating the wells is pursuant to various surface leases. Pursuant to the surface leases, Terra Energy Corp., is required to make annual payments to Warren Ralph Donis and Nadine Lucia Donis. The Board finds that Terra Energy Corp. failed to make the annual payments set out below as of the dates set out below for each of the locations indicated:

Well location	Amount owing	Date of Agreement	Date Amount Owing
A11-10-85-21	\$1,650.00	January 22, 2012	January 22, 2016
B4-10-85-21	\$1,320.00	February 24, 2008	February 24, 2016
C4-10-85-21	\$1,760.00	February 24, 2008	February 24, 2016
6-10-85-21	\$330.00	November 13, 2013	November 13, 2015
4-10-85-21	\$4,620.00	November 6, 2012	November 6, 2015
A4-10-85-21	\$1,320.00	January 19, 2008	January 19, 2016

Pursuant to section 176 of the *Petroleum and Natural Gas Act*, the Board determines that Terra Energy Corp. owes Warren Ralph Donis and Nadine Lucia Donis unpaid rent as set out in the column "Amount Owing" above, plus interest as of the date set out in the column "Date Amount Owing" above with respect to each payment. The Applicants are entitled to costs of this application.

The Board orders as follows:

1. Terra Energy Corp. shall forthwith pay to Warren Ralph Donis and Nadine Lucia Donis the sums of:
 - a) \$1,650.00 plus interest calculated in accordance with the *Court Order Interest Act* from January 22, 2016;

- b) \$1,320.00 plus interest calculated in accordance with the *Court Order Interest Act* from February 24, 2016;
- c) \$1,760 plus interest calculated in accordance with the *Court Order Interest Act* from February 24, 2016;
- d) \$330.00 plus interest calculated in accordance with the *Court Order Interest Act* from November 13, 2015;
- e) \$4,630 plus interest calculated in accordance with the *Court Order Interest Act* from November 6, 2015;
- f) \$1,320 plus interest calculated in accordance with the *Court Order Interest Act* from January 19, 2016.

DATED: March 23, 2016

FOR THE BOARD



Cheryl Vickers, Chair