

**File No. 1890**  
**Board Order No. 1890-1**

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**April 7, 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 WEST  $\frac{1}{4}$  OF SECTION 2 TOWNSHIP 86 RANGE 20 WEST OF THE  
6<sup>TH</sup> MERIDIAN PEACE RIVER DISTRICT, EXCEPT PLAN H827  
(The "Lands")

BETWEEN:

Donald Neil McLean and Irene Mary McLean  
(formerly known as Irene Mary Konopad)

(APPLICANTS)

AND:

Terra Energy Corp.

(RESPONDENT)

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**BOARD ORDER**

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This is an application brought under sections 164 and 176 of the *Petroleum and Natural Gas Act*. It was received by the Board March 15, 2016. The application includes proof of service by registered mail on the Respondent.

The Applicants, Donald Neil McLean and Irene Mary McLean, are the owners of the Lands described as: THE SOUTH WEST ¼ OF SECTION 2 TOWNSHIP 86 RANGE 20 WEST OF THE 6<sup>TH</sup> MERIDIAN PEACE RIVER DISTRICT, EXCEPT PLAN H827. The Respondent, Terra Energy Corp., is the operator of a well located on the Lands. The Respondent's right of entry to the Lands for the purpose of operating the well and associated access road is pursuant to a surface lease agreement entered October 31, 1978, between James Dennis Lea and General American Oils Ltd. and last amended effective October 31, 2008. (the Surface Lease).

Pursuant to the Surface Lease, Terra Energy Corp., is required to make annual payments of \$5,608.00 to Donald Neil McLean and Irene Mary McLean. Terra Energy Corp. failed to make the annual payment required by October 31, 2015.

The Board finds that Terra Energy Corp. has failed to pay rent owing under a surface lease. Pursuant to section 176 of the *Petroleum and Natural Gas Act*, the Board determines that Terra Energy Corp. owes Donald Neil McLean and Irene Mary McLean \$5,608.00 in unpaid rent plus interest from October 31, 2015. The Applicants are entitled to costs of this application.

The Board orders as follows:

1. Terra Energy Corp. shall forthwith pay to Donald Neil McLean and Irene Mary McLean the sum of \$5,608.00 plus interest calculated in accordance with the *Court Order Interest Act* from October 31, 2015.
2. Terra Energy Corp. shall forthwith pay to Donald Neil McLean and Irene Mary McLean \$69.27 in costs plus interest calculated in accordance with the *Court Order Interest Act* from the date of this Order.

DATED: April 7, 2016

FOR THE BOARD



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Cheryl Vickers, Chair