

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

LEGAL SUBDIVISION 11 SECTION 15 TOWNSHIP 85 RANGE 21 WEST OF THE
6TH MERIDIAN PEACE RIVER DISTRICT
LEGAL SUBDIVISION 12 SECTION 15 TOWNSHIP 85 RANGE 21 WEST OF THE
6TH MERIDIAN PEACE RIVER DISTRICT
LEGAL SUBDIVISION 13 SECTION 15 TOWNSHIP 85 RANGE 21 WEST OF THE
6TH MERIDIAN PEACE RIVER DISTRICT

(The "Lands")

BETWEEN:

Thomas Peter Jarratt and
Deborah Louise Jarratt

(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*. It was deemed received by the Board March 29, 2016. The application includes proof of service by registered mail on the Respondent.

The Applicants, Thomas Peter Jarratt and Deborah Louise Jarratt, are the owners of the Lands described as:

LEGAL SUBDIVISION 11 SECTION 15 TOWNSHIP 85 RANGE 21 WEST OF
THE 6TH MERIDIAN PEACE RIVER DISTRICT
LEGAL SUBDIVISION 12 SECTION 15 TOWNSHIP 85 RANGE 21 WEST OF
THE 6TH MERIDIAN PEACE RIVER DISTRICT
LEGAL SUBDIVISION 13 SECTION 15 TOWNSHIP 85 RANGE 21 WEST OF
THE 6TH MERIDIAN PEACE RIVER DISTRICT

The Respondent, Terra Energy Corp., is the operator of oil and gas activities located on the Lands. The Respondent's right of entry to the Lands for the purpose of operating the oil and gas activities is pursuant to a surface lease agreement entered January 19, 1998 and last amended effective January 19, 2008. (the Surface Lease).

Pursuant to the Surface Lease, Terra Energy Corp., is required to make annual payments of \$12,320.00 to Thomas Peter Jarratt and Deborah Louise Jarratt. Terra Energy Corp. failed to make the annual payment required by January 19, 2016.

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 Thomas Peter Jarratt and Deborah Louise Jarratt \$12,320.00 in unpaid rent plus interest from January 19, 2016. The Applicants are entitled to costs of this application.

The Board orders as follows:

1. Terra Energy Corp. shall forthwith pay to Thomas Peter Jarratt and Deborah Louise Jarratt the sum of \$12,320.00 plus interest calculated in accordance with the *Court Order Interest Act* from January 19, 2016.
2. Terra Energy Corp. shall forthwith pay to \$113.54 in costs plus interest calculated in accordance with the *Court Order Interest Act* from the date of this Order.

DATED: April 11, 2016

FOR THE BOARD



Cheryl Vickers, Chair