

**File No. 1896**  
**Board Order No. 1896-1**

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**April 22, 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 NORTH WEST  $\frac{1}{4}$  OF SECTION 26 TOWNSHIP 85 RANGE 20 WEST OF THE  
6<sup>TH</sup> MERIDIAN PEACE RIVER DISTRICT

(The "Lands")

BETWEEN:

Cheryl Rae Large

(APPLICANT)

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*. The application has provided proof of service by registered mail on the Respondent.

The Applicant, Cheryl Rae Large, is the owner of the Lands described as: THE NORTH WEST ¼ OF SECTION 26 TOWNSHIP 85 RANGE 20 WEST OF THE 6<sup>TH</sup> MERIDIAN PEACE RIVER DISTRICT. The Respondent, Terra Energy Corp., is the operator of wells located on the Lands. The Respondent's right of entry to the Lands for the purpose of operating the wells and for access is pursuant to surface lease agreements last amended December 21, 2006 (the Surface Leases).

Pursuant to the Surface Leases, Terra Energy Corp., is required to make annual payments of \$5,400.00 with respect to the well known as Terra Stoddart 14-26-85-20 W6M and \$4,000.00 with respect to the well known as Terra Stoddart 12-26-85-20 W6M to Cheryl Rae Large and Owen Francis Large, who is now deceased. Terra Energy Corp. failed to make the annual payments of \$5,400.00 January 10, 2016 and \$4,000.00 due April 25, 2015 owing to Cheryl Rae Large.

Also pursuant to the Surface Leases, Terra Energy Corp. was required by October 7, 2015 to make an annual payment of \$750.00 with respect to an access road to Terra Stoddart 5-26-85-20 W6M and an annual payment of \$3,300.00 with respect to a well known as Terra Stoddart A12-26-85-20 W6M. On January 11, 2016 Terra Energy Corp. paid Cheryl Rae Large the sum of \$4,050.00 owing as of October 7, 2015 but did not paid interest on the late payment.

The Board finds that Terra Energy Corp. has failed to pay rent owing under surface leases. Pursuant to section 176 of the *Petroleum and Natural Gas Act*, the Board determines that Terra Energy Corp. owes Cheryl Rae Large \$5,400.00 in unpaid rent plus interest from January 10, 2016, and \$4,000.00 in unpaid rent plus interest from April 25, 2015.

The Board finds that Terra Energy Corp. owes Cheryl Rae Large interest on \$4,050.00 from October 7, 2015 to January 11, 2016.

The Applicant is entitled to costs of this application.

The Board orders as follows:

1. Terra Energy Corp. shall forthwith pay to Cheryl Rae Large the sum of \$5,400.00 plus interest calculated in accordance with the *Court Order Interest Act* from January 10, 2016.
2. Terra Energy Corp. shall forthwith pay to Cheryl Rae Large and Francis Owen Large the sum of \$4,000.00 plus interest calculated in accordance with the *Court Order interest Act* from April 25, 2015.
3. Terra Energy Corp. shall forthwith pay Cheryl Rae Large interest calculated in accordance with the *Court Order Interest Act* for the period between October 7, 2015 and January 11, 2016 on the sum of \$4,050.00

4. Terra Energy Corp. shall forthwith pay to Cheryl Rae Large \$59.00 in costs plus interest calculated in accordance with the *Court Order Interest Act* from the date of this Order.

DATED: April 22, 2016

FOR THE BOARD



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Cheryl Vickers, Chair