

**September 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 WEST 1/4 OF SECTION 15, TOWNSHIP 80, RANGE 15, WEST  
OF THE 6th MERIDIAN, PEACE RIVER DISTRICT;

(The "Lands")

BETWEEN:

ARC Resources Ltd.

(APPLICANT)

AND:

Keith Allan Hankins and Cheri Lee Hankins

(RESPONDENTS)

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**BOARD ORDER**

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Mediation: September 14, 2016  
Appearances: Dionysios Rossi, Barrister and Solicitor, and Kevin Buytels, for  
the Applicant  
Darryl Carter Q.C., Barrister and Solicitor, and Keith Allan  
Hankins and Cheri Lee Hankins, for the Respondents  
Mediator: Rob Fraser

On May 11, 2016, the Applicant, ARC Resources Ltd. ("ARC") commenced an application seeking right of entry to the above-noted lands legally owned by Keith Allan Hankins and Cheri Lee Hankins (the "Lands"), to construct, operate and maintain four flow lines, seven natural gas wells, a wellsite, and associated infrastructure, and to have the issue of compensation determined by the Board.

On May 30, 2016, the Board decided the following:

1. that the application seeking right of entry for the flow lines and the determination of related compensation, would proceed as SRB File No. 1900; and
2. the application seeking right of entry for the seven natural gas wells and wellsite and the determination of related compensation, would proceed as SRB File No. 1901.

On July 8, 2016, the Board granted ARC Resources Ltd. a right of entry to the Lands, pursuant to Board Order No. 1900-1901-1.

On September 14, 2016, I conducted a mediation between the parties during which they resolved the issue of compensation and all other outstanding issues. The parties have requested that the Board grant an Order confirming the terms of settlement.

Accordingly, by consent, the Board Orders:

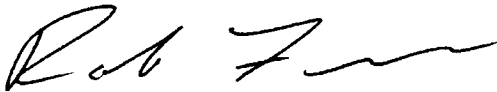
## **ORDER**

1. ARC shall pay to Mr. and Mrs. Hankins the total amount of \$55,000 in respect of initial compensation for the seven natural gas wells and wellsite. The \$55,000 in compensation payable to Mr. and Mrs. Hankins shall consist of the previous payment of \$35,000 in partial compensation paid by ARC pursuant to Board Order No. 1900-1901-1, and an additional payment of \$20,000 to be made within 30 days of the date of this Order.

2. ARC shall pay to Mr. and Mrs. Hankins the total amount of \$13,000 in annual compensation in respect of the seven natural gas wells and wellsite.
3. ARC shall pay to Mr. and Mrs. Hankins the total amount of \$2,500 in compensation for the flow lines, within 30 days of the date of this Order.
4. ARC shall pay to Mr. and Mrs. Hankins the total amount of \$3,000 for their personal time and expenses in dealing with this matter, within 30 days of the date of this Order.
5. ARC shall pay reasonable legal fees to Mr. and Mrs. Hankins c/o Stringam LLP, within 30 days of the date of this Order.

Dated: September 23, 2016

FOR THE BOARD



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Rob Fraser, Mediator