

File No. 1903
Board Order No.1903-1

July 8, 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 EAST ¼ OF SECTION 14 TOWNSHIP 80 RANGE 15
WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT**

(The "Lands")

BETWEEN:

ARC Resources Ltd.

(APPLICANT)

AND:

Nels Ostero Ltd.

(RESPONDENT)

BOARD ORDER

ARC Resources Ltd. ("ARC") seeks a right of entry order to access certain lands legally owned by Nels Ostero Ltd. (the "Lands").

On June 14, 2016 I conducted a telephone conference call to discuss ARC's proposed project to construct, operate and maintain four flowlines and associated infrastructure on the Lands. The Oil and Gas Commission has issued permit #9709710 (project #000023844) for this project.

Subsequent to the conference call the parties exchanged proposed terms and conditions. The Landowner asked the Board to expand one paragraph and add another. ARC objected, saying that they can be dealt with as damages or loss. I find the addition too vague to include and I agree that the additional term can be dealt with if damages arise in the future. I have only included those terms and conditions where the parties are in agreement.

Under the provisions of the *Petroleum and Natural Gas Act*, the Board may grant a right of entry order to privately owned land if it is satisfied that an order authorizing entry is required for an oil and gas activity. "Oil and gas activity" is a defined term that includes the construction or operation of a pipeline.

Based on our discussions and on the fact that the OGC has issued permits for ARC's projects I am satisfied that ARC requires the Lands for an approved oil and gas activity.


The Surface Rights Board orders:

1. Upon payment of the amount set out in paragraphs 2 and 3, ARC shall have the right to enter and access the portions of the Lands shown outlined in red on the Individual Ownership Plan attached as Appendix "A" as necessary for the purpose of constructing, operating and maintaining flow lines in accordance with British Columbia Oil and Gas Commission Permit No. 9709710.
2. ARC shall pay to the landowner as partial compensation the total amount of \$10,000.
3. ARC shall deliver to the Surface Rights Board security in the amount of \$2,500 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to ARC, or paid to the landowner, upon agreement of the parties or as ordered by the Board.
4. ARC shall make reasonable efforts to ensure that construction equipment and vehicles are steam cleaned prior to entry on the Lands.
5. ARC shall make reasonable efforts to minimize the amount of topsoil stripping.

6. The flowlines will be buried with a minimum depth of cover of 1.5 metres.
7. The landowner may cross the pipeline with equipment or vehicles (including loaded trucks and construction equipment) for the lifetime of the flow lines, provided such equipment or vehicles shall not alter the depth of cover over the flowlines. If equipment is required to cross the flow lines where additional matting or cover is required upon determination by ARC, on reasonable notice being provided to ARC, ARC will construct the appropriate crossing.
8. No risers or other above ground equipment or structures within the area shown outlined in red in Appendix "A" are permitted without the landowner's consent or a further Board order.
9. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

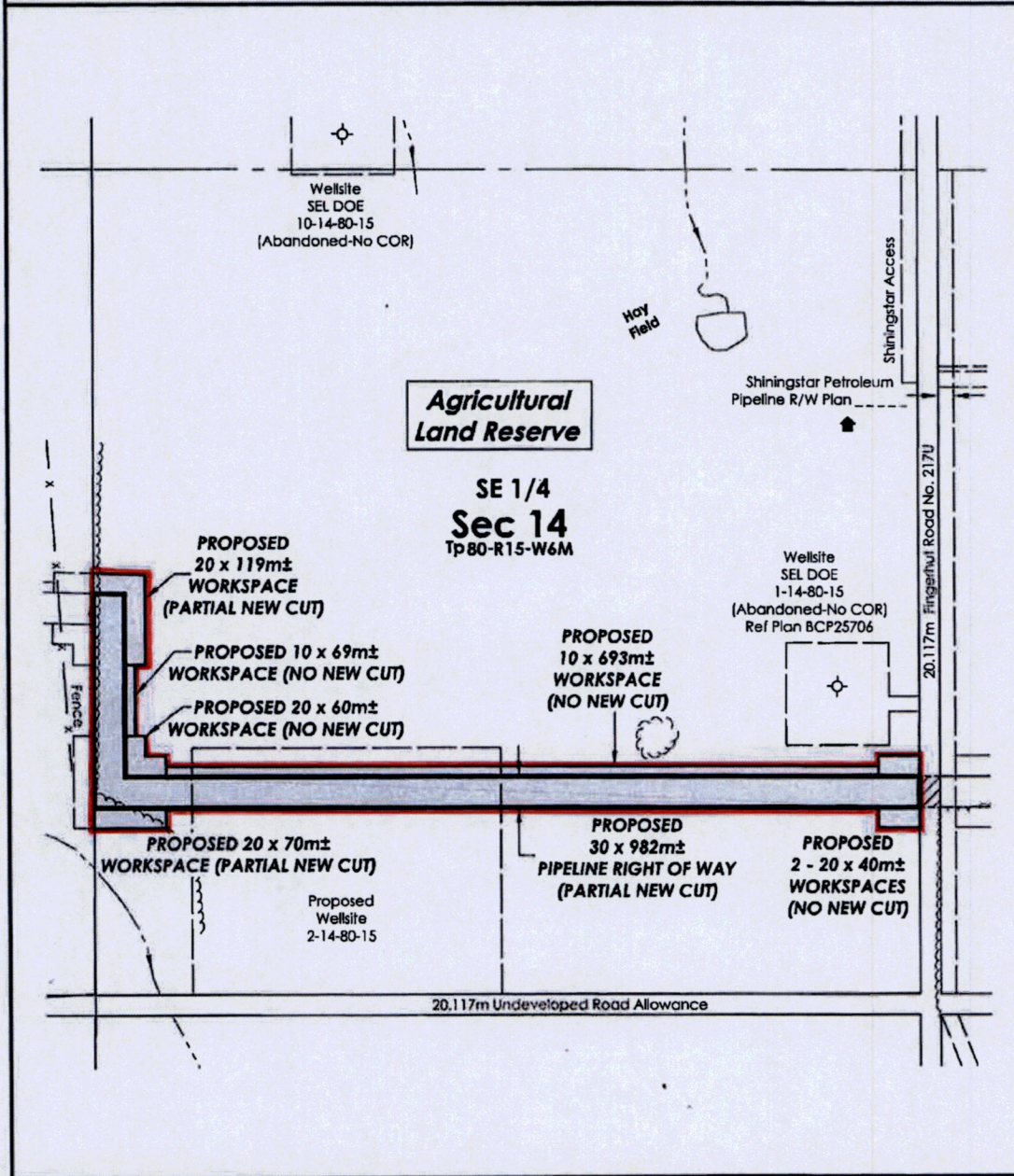
Dated: July 8, 2016

FOR THE BOARD



Rob Fraser, Mediator

**ARC RESOURCES LTD.
INDIVIDUAL OWNERSHIP PLAN
SHOWING PROPOSED
30m PIPELINE RIGHT OF WAY IN
SE 1/4 Sec 14, Tp 80, R 15, W6M
PEACE RIVER DISTRICT**



TITLE No.: CA4393265 **P.I.D. No.:** 014-389-495
OWNER(S): Nels Ostero Ltd.
 Inc. No. BC0099452

LEGEND
 SCALE = 1: 5,000
 Portions referred to:
 Notes: Distances shown are in metres.
 Certified correct this
 13th day of November, 2015.

AREA REQUIRED:

30m Pipeline R/W	2.94 ha	7.26 ac
Workspaces	1.42 ha	3.51 ac
TOTAL:	4.36 ha	10.77 ac

Chris R. Sakundiak
 Chris R. Sakundiak, BCLS 846

NO	DATE	REVISION	DRN	CKD
0	15/11/13	Original plan issued	SDH	CS

can-am geomatics.
 can-am geomatics bc Phone: 250.787.7171
 Fort St. John, B.C. Toll Free: 1.866.208.0983
 www.canam.com Fax: 250.787.2323

CAN-AM FILE: J20150559
 CAD FILE: J20150559IOP4-0
 Client File No.: E12156
 AFE No.: 15PPL0132
 Land File No.:
 REVISION

Appendix "B"

Backfill Ditch Line with Compaction

- Ditch line will be approximately 1 meter in width;
- Lay pipe in ditch
- Sand pad with approximately 300mm of sand, level out
- Lay approximately 600mm of sub-soil, wheel pack with hoe
- Lay approximately 300mm of sub-soil, wheel pack with hoe
- Lay approximately 300mm of sub-soil, wheel pack with hoe
- Lay approximately 300mm of sub-soil, wheel pack with hoe
- Lay final 300mm of sub-soil, pack with sheep's foot
- Lay top soil and pack with sheep's foot
- Disc the top soil.