

**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 EAST 1/4 OF SECTION 14, TOWNSHIP 80, RANGE 15, WEST  
OF THE 6th MERIDIAN, PEACE RIVER DISTRICT;

(The "Lands")

BETWEEN:

ARC Resources Ltd.

(APPLICANT)

AND:

Nels Osterro Ltd.

(RESPONDENTS)

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**BOARD ORDER**

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Mediation: September 15, 2016  
Appearances: Dionysios Rossi, Barrister and Solicitor, and Kevin Buytels, for  
the Applicant  
Darryl Carter Q.C., Barrister and Solicitor, and Tom Ostero, for  
the Respondents  
Mediator: Rob Fraser

On April 22, 2016, the Applicant, ARC Resources Ltd. ("ARC") commenced an application seeking right of entry to the above-noted lands legally owned by Nels Ostero Ltd. (the "Lands"), to construct, operate and maintain four flow lines and associated infrastructure, and to have the issue of compensation determined by the Board.

On July 11, 2016, the Board granted ARC Resources Ltd. a right of entry to the Lands, pursuant to Board Order No. 1903-1amd.

On September 15, 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:

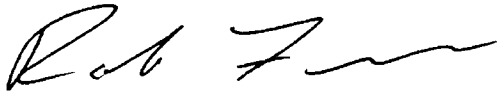
## **ORDER**

1. ARC shall pay to Nels Ostero Ltd. the total amount of \$37,500 in compensation for the flow lines, within 30 days of the date of this order. The \$37,500 in compensation payable to Nels Ostero Ltd. shall consist of the previous payment of \$10,000 in partial compensation paid by ARC pursuant to Board Order No. 1903-1amd, and an additional payment of \$27,500 to be made within 30 days of the date of this Order.
2. ARC shall pay to Nels Ostero Ltd. the total amount of \$2,000 for the time and expenses incurred by its representative, Tom Ostero, in dealing with this matter, within 30 days of the date of this Order.

3. ARC shall pay reasonable legal fees to Nels Ostero Ltd. c/o Stringam LLP, within 30 days of the date of this Order.

Dated: September 23, 2016

FOR THE BOARD

A handwritten signature in black ink, appearing to read "Rob Fraser", written in a cursive style.

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Rob Fraser, Mediator