

File No. 1936
Board Order No. 1936-1

May 29, 2017

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
SECTION 25 TOWNSHIP 86 RANGE 17 WEST OF THE 6TH MERIDIAN PEACE
RIVER DISTRICT, EXCEPT THE SOUTH AND EAST 80 FEET
(The "Lands")**

BETWEEN:

**Wendy Harrington and
Ben Harrington**

(APPLICANTS)

AND:

Procyon Energy Corp.

(RESPONDENT)

BOARD ORDER

Wendy Harrington and Ben Harrington (the Landowners) are the owners of the Lands legally described as: SECTION 25 TOWNSHIP 86 RANGE 17 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT, EXCEPT THE SOUTH AND EAST 80 FEET (the Lands). Procyon Energy Corp. (Procyon Energy) operates a pipeline and associated infrastructure on the Lands.

The Landowners applied to the Board for mediation and arbitration services under section 158 of the *Petroleum and Natural Gas Act* alleging that Procyon Energy did not have surface rights to operate the pipeline on the Lands.

The Board convened a telephone conference on April 5, 2017. Representatives of Procyon Energy confirmed it does operate a pipeline on the Lands. They advised that a right of way agreement respecting the pipeline entered with a former landowner was not registered against the Title to the Lands.

As the owner of the Lands has changed, Procyon Energy cannot register the right of way agreement on Title at this time. Procyon Energy requires surface rights in order to operate and maintain the flowline and comply with regulatory requirements. I am satisfied that an order authorizing right of entry to conduct an oil and gas activity, namely the operation and maintenance of a pipeline is necessary.

ORDER

The Surface Rights Board orders:

1. Upon payment of the amounts set out in paragraph 2, Procyon Energy Corp. shall have the right of entry to and access across the portions of the Lands shown outlined in red on the Individual Ownership Plan attached as Schedule "A" as necessary for the purpose of constructing, operating and maintaining a pipeline and associated infrastructure in accordance with a Permit issued by the Oil and Gas Commission on July 2, 2009 with OGC File No. 9702890.
2. Procyon Energy Corp. shall deliver to the Surface Rights Board security in the amount of \$4,000 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to Procyon Energy Corp. or paid to the Landowners, upon agreement of the parties or as ordered by the Board.

3. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

DATED: May 29, 2017

FOR THE BOARD



Cheryl Vickers
Chair

SCHEDULE "A" 1936-1

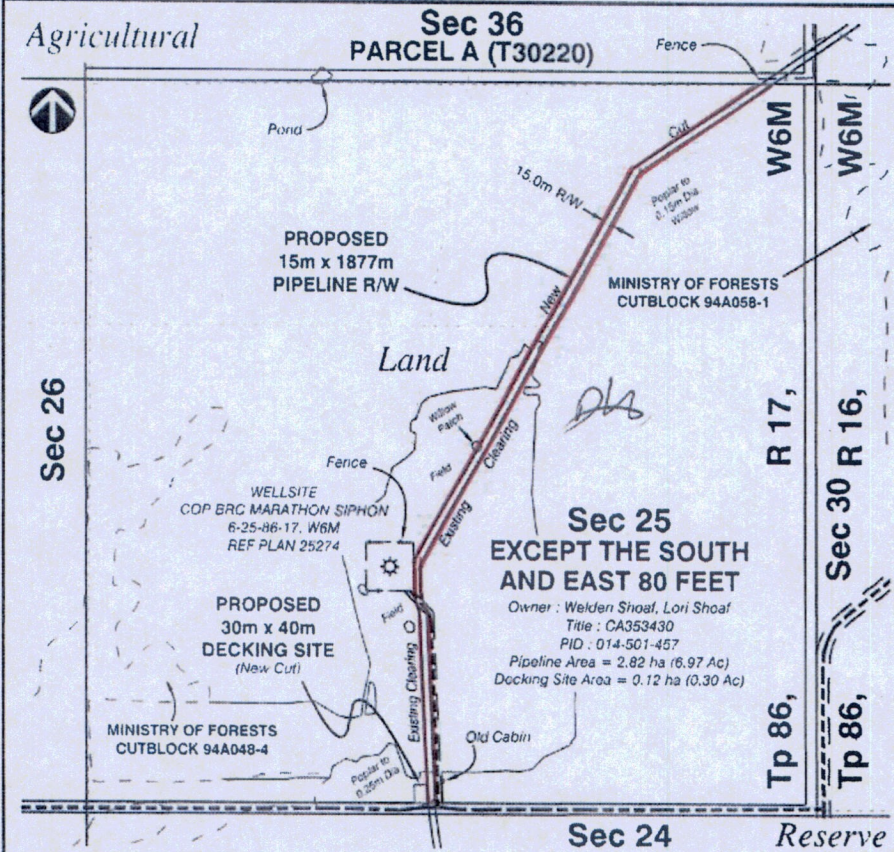
PROCYON ENERGY CORP.

INDIVIDUAL OWNERSHIP PLAN

SHOWING PROPOSED 15.0m PIPELINE RIGHT OF WAY AND DECKING SITE

IN

**Sec 25, Tp 86, R 17, W6M
EXCEPT THE SOUTH AND EAST 80 FEET**
PEACE RIVER DISTRICT



OWNER: Welden Shoaf
Lori Shoaf

TITLE: CA353430
PID: 014-501-457

Pipeline R/W: 2.82 ha 6.97 Ac
Decking Site: 0.12 ha 0.30 Ac

Certified correct this _____ day of
December 2008

E.P. SHUGNS, B.C.L.S.

McElhanney
McELHANNEY GEOMATICS
Professional Land Surveying Ltd.
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DISTANCES ARE IN METRES.
PORTIONS REFERRED TO ARE OUTLINED IN RED AND GREEN.
REVISION: 0 DRAWN BY: MAZ
SCALE: 1:10000 JOB: 3111-18884IP2