

File No. 1941
Board Order No. 1941-1

May 30, 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

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)

BOARD ORDER

ARC Resources Ltd. ("ARC") seeks a right of entry order to access certain lands legally owned by Keith Allan Hankins and Cheri Lee Hankins (the "Lands").

By Board Order Nos. 1900-1901-1 (July 8, 2016) and 1900-1901-1-1918-1amd (November 4, 2016), the Board earlier granted ARC a right of entry to the Lands in respect of a pipeline (SRB 1900) and a padsite (SRB 1901 and 1918) on the Lands. ARC now requires access to the Lands to construct and operate an additional eight natural gas wells and associated infrastructure on the existing padsite, and the parties have reached an agreement on the terms and conditions of access.

On March 31, 2017, the Oil and Gas Commission (the "OGC") issued a permit for the additional wells (OGC Permit No. 100102047).

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 natural gas wells.

As the OGC has issued a permit for the additional eight natural gas wells and the parties have agreed upon the terms and conditions of access, 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 paragraph 2, 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, drilling, completing and operating natural gas wells and associated infrastructure.
2. ARC shall pay the following compensation to the landowner:
 - a) a total amount of \$16,000 in respect of initial compensation for the eight additional natural gas wells;
 - b) a total amount of \$4,000 in annual compensation in respect of the eight additional natural gas wells; and
 - c) reasonable legal fees in an amount to be agreed upon by the parties.

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 30, 2017

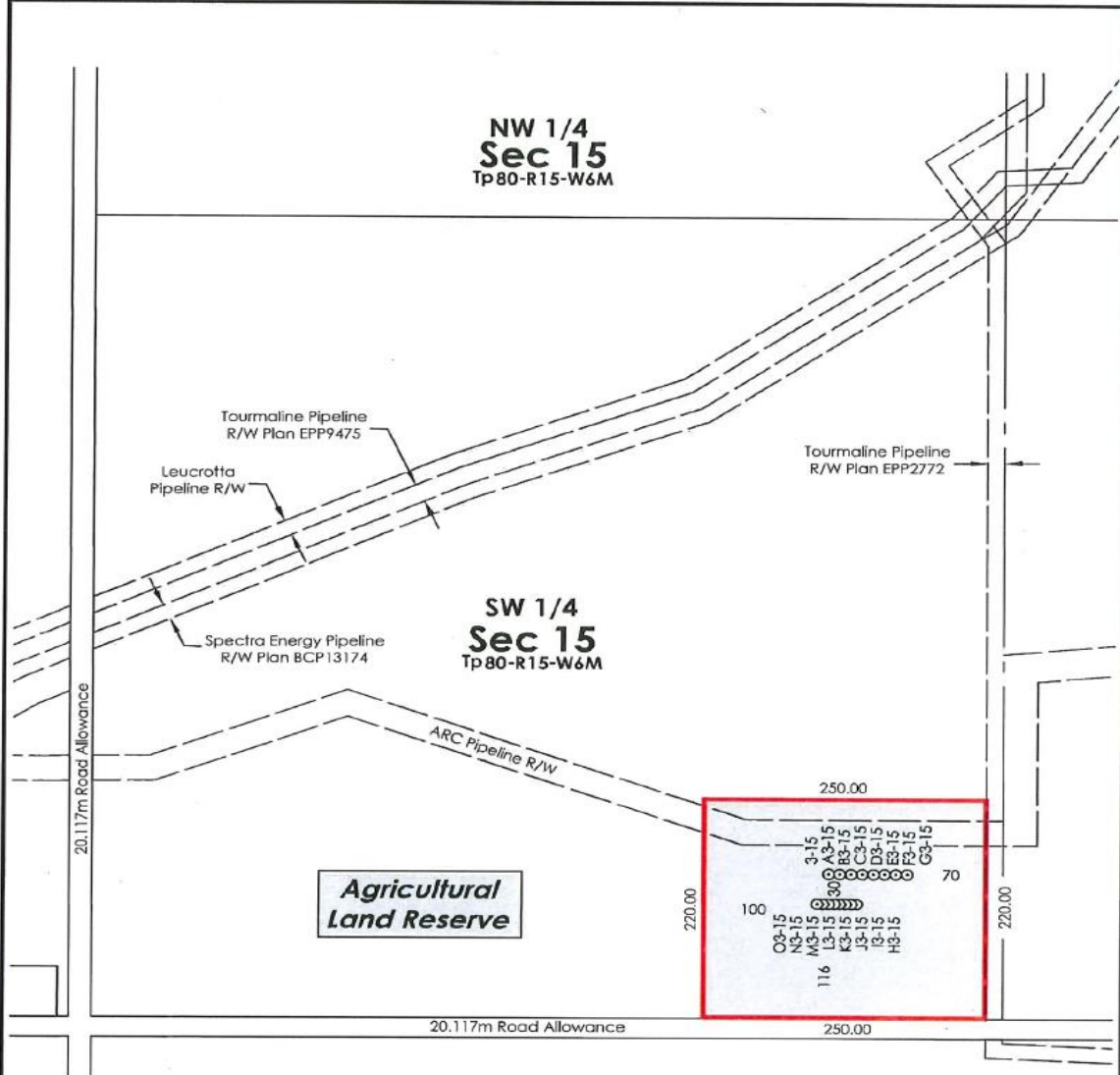
FOR THE BOARD

A handwritten signature in black ink, appearing to read "Rob Fraser", with a stylized, flowing script.

Rob Fraser, Mediator

Appendix A

ARC RESOURCES LTD. INDIVIDUAL OWNERSHIP PLAN SHOWING PROPOSED WELLSITE IN SW 1/4 Sec 15, Tp 80, R 15, W6M PEACE RIVER DISTRICT



TITLE No.: PP10446 **P.I.D. No.:** 014-459-515
OWNER(S): Keith Allan Hankins
Cheri Lee Hankins

LEGEND

SCALE = 1 : 5,000

Portions referred to: 116
Notes: Distances shown are in metres.

Certified correct this
23rd day of May, 2017.

AREA REQUIRED:

Wellsite 5.50 ha 13.59 ac
TOTAL: 5.50 ha 13.59 ac

William T. Powley, B.S.L.S. 830

NO	DATE	REVISION	DRN	CKD
0	15/09/22	Original plan issued	AB	CS
1	15/11/30	Updated scenery	CA	AAM
2	17/04/12	Updated Well Locations	JMS	BP
3	17/05/23	Added Well Location O	LMP	BP

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CAN-AM FILE: J20150665

CAD FILE: J20150665IOP_3

Client File No.:

AFE No.:

Land File No.:

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REVISION