File No. 1948 Board Order No. 1948-1

October 10, 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 NORTH EAST $^{\prime\prime}_4$ OF SECTION 8 TOWNSHIP 79 RANGE 14 WEST OF THE $6^{\rm TH}$ MERIDIAN PEACE RIVER DISTRICT (The "Lands")

BETWEEN:

ARC Resources Ltd.

(APPLICANT)

AND:

Richard Bruce Mitchell and Sharon Ann Mitchell

(RESPONDENTS)

BOARD ORDER

ARC Resources Ltd. ("ARC") seeks a temporary right of entry order to access certain Lands legally owned by Richard Bruce Mitchell and Sharon Ann Mitchell to carry out an approved oil and gas activity, namely conducting an assessment of the condition of the Lands in the absence of snow cover in compliance with an order of the British Columbia Oil and Gas Commission dated September 29, 2017 (the "Order").

On October 6, I conducted a telephone mediation conference to give the parties the opportunity to speak to the contents of a draft right of entry order circulated by ARC.

The Oil and Gas Commission has issued an order to ARC to conduct activities on the Lands before the surface is covered in snow. I agree with ARC that there is urgency to this application.

The Landowners have denied ARC access to the Lands and ARC applies to the Board for a right of entry order.

The Landowners object to ARC's application, and ask the Board to decline to issue a right of entry order. They argue that ARC ought to have sought a variance of the temporary stay of the permit issued by the Oil and Gas Appeal Tribunal. Further they say the OGC's order is generic, does not identify the Lands and does not identify the Landowners.

I considered the Landowners' objections and found that in the circumstances of this application it is appropriate for the Board to issue a right of entry order in favor of ARC. I set out my reasons in a separate communication to the parties.

In the circumstances of this application I am satisfied that the Board has the jurisdiction to issue the right of entry order, that it is appropriate for ARC to bring their application to the Surface Rights Board rather than the Oil and Gas Appeal Tribunal, and that ARC requires access to the lands for an approved oil and gas activity, namely fulfilling an order of the Oil and Gas Commission.

The Surface Rights Board orders:

ORDER

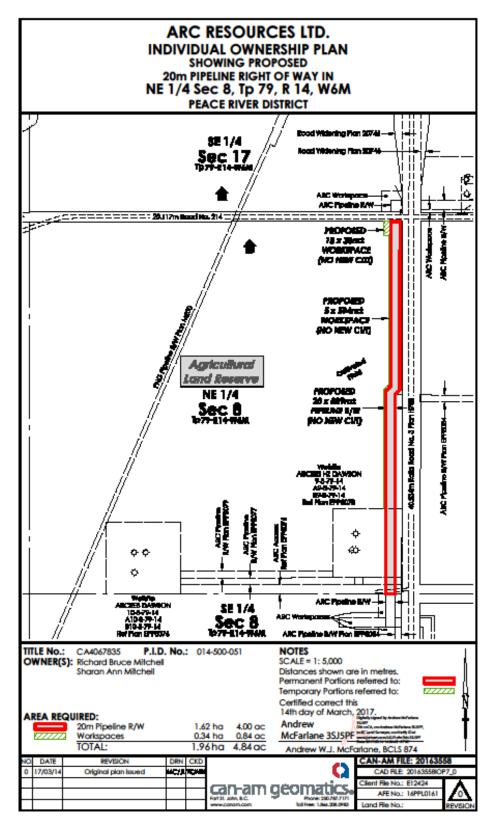
1. Upon payment of the amounts set out in paragraphs 2 and 3, ARC shall have the temporary right of entry to and access across the portion of the Lands shown outlined in red on the Individual Ownership Plan attached as Appendix "A" for the purpose of conducting the assessment work described in the Order. This temporary right of entry shall expire on October 31, 2017.

- 2. ARC shall pay to the landowner as partial compensation the amount of \$250.
- 3. ARC shall deliver to the Surface Rights Board security in the amount of \$1,000 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. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

DATED: October 10, 2017

FOR THE BOARD

Rob Fraser, Mediator



APPENDIX "A"