

File No. 1951
Board Order No. 1951-2

November 1, 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 $\frac{1}{4}$ OF SECTION 17 TOWNSHIP 79 RANGE 14 WEST OF
THE 6TH MERIDIAN PEACE RIVER DISTRICT

(The "Lands")

BETWEEN:

ARC Resources Ltd.

(APPLICANT)

AND:

Mary Kathleen Miller

(RESPONDENT)

BOARD ORDER

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

ARC proposes to construct, operate and maintain a flow line and associated infrastructure. The Oil and Gas Commission ("OGC") has issued a permit for this project (100102516).

On October 2, 2017, I conducted a telephone conference call to discuss ARC's application for mediation and arbitration services relating to their proposed flowline project on the Lands.

During the conference call the Landowner agreed on the wording of a Board Order, except for one item. The Landowner asked the Board to include a condition requiring ARC to bore rather than trench when installing the flowline. ARC did not agree to this condition.

ARC said the Board lacked jurisdiction to include such a condition, while the Landowner said it fell within the wording and interpretation of the legislative scheme. The parties produced submissions, which are considered in the Board's decision 1951-1, where the Board found that it did not have the jurisdiction to order boring rather than trenching.

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 and access roads.

As the OGC has issued a permit for this project (Determination of Application Area Number 100102516), I am satisfied that ARC requires the Lands for an approved oil and gas activity.

The Surface Rights Board orders:

ORDER

1. Upon payment of the amounts 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 and green on the Individual Ownership Plan attached as Appendix "A" as necessary for the purpose of constructing, operating and maintaining a flowline and associated infrastructure in accordance with OGC Permit No. 100102516 issued by the Oil and Gas Commission on July 27, 2017.

2. ARC shall pay to the landowner as partial compensation the total amount of \$5,000.
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 will, within seven days of receiving notice of a builder's lien claim being filed against the Lands as a result of the work being carried out by ARC on the subject property, take all reasonable steps to cause the lien to be removed.
5. The Grantee will be responsible for the removal of rocks that are brought to the surface of the right of way during and following construction and in that regard will consult with the land owner and the lessee in discharging this responsibility.
6. No risers or other above ground equipment or structures are permitted, except for the existing riser at the 'Riser Site' location, within the area shown outlined in red in Appendix "A" without the landowner's consent or a further Board order.
7. ARC shall not erect any power poles or transmission lines within the area outlined in red in Appendix "A", permanently or otherwise, without the landowner's consent or a further Board Order.
8. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

DATED: November 1, 2017

FOR THE BOARD

A handwritten signature in black ink, appearing to read 'Rob Fraser', written over a horizontal line.

Rob Fraser, Mediator

**ARC RESOURCES LTD.
INDIVIDUAL OWNERSHIP PLAN
SHOWING PROPOSED
20m PIPELINE RIGHT OF WAY IN
NE 1/4 Sec 17, Tp 79, R 14, W6M
PEACE RIVER DISTRICT**

