File No. 2059 Board Order No. 2059-1

March 5, 2019

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 ¼ OF SECTION 36 TOWNSHIP 83 RANGE 17 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT (The "Lands")

BETWEEN:

Marty Lyle Kjos and Miriam Ellen Kjos

(APPLICANTS)

AND:

Ranch Energy Corporation

(RESPONDENT)

BOARD ORDER

This is an application brought under sections 164 and 176 of the *Petroleum and Natural Gas Act.*

The Applicants, Mary and Miriam Kjos, are the owners of the Lands described as: THE SOUTH WEST ¼ OF SECTION 36 TOWNSHIP 83 RANGE 17 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT. The Respondent, Ranch Energy Corporation, is the operator of a well site on the Lands. The Respondent's right of entry to the Lands for the purpose of operating the well is pursuant to a surface lease dated February 13, 1984 (the Surface Lease).

Pursuant to the Surface Lease, Ranch Energy Corporation, is required to make annual payments of \$2,800.00 to Marty and Miriam Kjos. Ranch Energy Corporation failed to make the annual payment required by February 13, 2019.

The Board finds that Ranch Energy Corporation has failed to pay rent owing under a surface lease. Pursuant to section 176 of the *Petroleum and Natural Gas Act*, the Board determines that Ranch Energy Corporation owes Marty and Miriam Kjos \$2,800.00 in unpaid rent plus interest from February 13, 2019. The Applicants are entitled to costs of this application.

The Board orders as follows:

1. Ranch Energy Corporation shall forthwith pay to Marty and Miriam Kjos the sum of \$2,800.00 plus interest calculated in accordance with the *Court Order Interest Act* from February 13, 2019.

DATED: March 5, 2019

FOR THE BOARD

Church

Cheryl Vickers, Chair