

File No. 1601
Board Order # 1601-1

June 9, 2008

MEDIATION AND ARBITRATION BOARD

**IN THE MATTER OF THE PETROLEUM AND NATURAL GAS
ACT, R.S.B.C., C. 361 AS AMENDED**

AND IN THE MATTER OF S.E. 1/4, Sec 25, TWP 80, RG 15, W6M P.R.D.

(The "Lands")

BETWEEN:

Black Bore Resources Ltd.

("APPLICANT(S)")

AND:

John ("Gus") and Colleen Connelly

("RESPONDENT(S)")

BOARD ORDER

On June, 2, 2008 I conducted a pre-mediation conference call. During that call the Respondents agreed to allow access to the Applicant once any OCG issues were resolved. On June 4, 2008 the Board received correspondence stating that all OCG issues were resolved and the outstanding issues are within the jurisdiction of the Mediation and Arbitration Board. I said in my pre-mediation letter:

"The Connellys are not opposed to the Board issuing an order for the right to enter, once the OCG has produced the necessary permit. Once I have confirmation I will issue the order for the right to enter, including the payment of a security deposit and a partial payment to the Connellys pursuant to section 19(2) of the *Petroleum and Natural Gas Act*."

The applicant requires access to the Lands for the purpose of constructing operation, and servicing of a flow line as shown on the attached plan (Appendix A). Right of entry is not opposed but the parties have not agreed on the compensation payable for the entry, occupation and use of the Lands, and for nuisance and disturbance. The parties agree that a right of entry order should be made. The compensation issues are scheduled for a further mediation hearing.

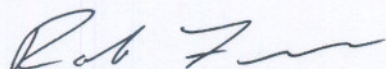
BY CONSENT, the Mediation and Arbitration Board orders:

1. Upon payment of the amounts set out in paragraphs 2 and 3, the Applicant shall have the right of entry to and access across the portion of the Lands shown in Schedule A for the purpose of constructing and operating a flow line.
2. The Applicant shall deposit with the Mediation and Arbitration Board security in the amount of \$2,500. All or part of the security deposit may be returned to the Applicant or paid to the Respondent upon the agreement of the parties or as ordered by the Board.
3. The Applicant shall pay to the Respondent the amount of \$1,250.00 as partial payment for compensation payable for entry to and use of the Lands.
4. The Applicant shall serve the Respondents with a copy of this Order by email prior to entry onto the Lands.

5. This Order is subject to the application process required by the Oil and Gas Commission and nothing in this order operates as consent, permission, approval or authorization of matters within the jurisdiction of the Oil and Gas Commission.

Dated: June 9, 2008

FOR THE BOARD

A handwritten signature in black ink, appearing to read "Rob Fraser", with a stylized flourish at the end.

Rob Fraser
Mediator