

File No. 1922
Board Order No. 1922-1

January 20, 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

DISTRICT LOT 2634 PEACE RIVER DISTRICT,
AGRICULTURAL LEASE #344644, DISPOSITION NO. 869411

(the "Lands")

BETWEEN:

Crew Energy Inc.

(APPLICANT)

AND:

Penalty Ranch Ltd.

(RESPONDENT)

BOARD ORDER

Crew Energy Inc. ("Crew") seeks a right of entry order to access certain lands to carry out an oil and gas activity, namely to construct, drill and operate multiple petroleum and natural gas wells with associated infrastructure on one padsite.

Crew applied to the Board for mediation and arbitration services, asking the Board to issue a right of entry order for this project.

On November 24, 2016, I conducted a mediation that discussed this application along with other related projects on lands occupied by Penalty that they lease from the Crown under agricultural lease #344644.

I find that this project is part of a larger integrated project (Board Orders 1885-1amd, 1885-2amd and 1916-1) and supported by the Oil and Gas Commission's Permit (Application Determination Number 100101266; Well Authorization No.:32634, 32635, 32636, 32637, 32638, 32639, 32640, 32641, 32642, 32643; and other authorized activities) I find it is an approved oil and gas activity.

The Surface Rights Board Orders:

1. Upon payment of the amount set out in paragraph 2, Crew shall have the right of entry to and access the portions of the Lands shown outlined in red on the Individual Ownership Plan attached as Appendix "A" to construct, drill and operate multiple petroleum and natural gas wells with associated infrastructure.
2. Crew shall pay to the landowner as partial compensation the total amount of \$1,500.
3. Crew 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 Crew, or paid to the landowner, upon agreement of the parties or as ordered by the Board.
4. Crew shall fence the well pad following construction, after freezing conditions have subsided.
5. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

DATED: January 20, 2017

FOR THE BOARD



Rob Fraser, Mediator

APPENDIX "A"

Order 1922-1

