



SURFACE RIGHTS BOARD

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Application Forms and information about the Board are available from any Service BC Centre (Government Agent) and Applications may be delivered to the Board either directly or through Service BC

August 2011

PRACTICE DIRECTIVE NO. 3

Return of Security Deposits

Purpose This Practice Directive provides guidance for the return security deposits.

Background Following the mediation of an application under section 158 of the *Petroleum and Natural Gas Act*, the mediator may make an order permitting an applicant to enter, occupy and use land. If agreement is not reached on compensation the mediator may order the applicant to pay a security deposit to the Board to ensure the landowner is paid any amount subsequently ordered. The applicant must also make a partial payment to the landowner. The Board has the discretion to determine the amount of the security deposit.

Directive Application Process:

A person who has paid a security deposit, or their successor or assign, may apply to the Board for the return or other disposition of the deposit using the Application for Return of Security Deposit (Form 5). The applicant should include a copy of all relevant documents to demonstrate entitlement to a refund of the deposit including a current Title Search and copies of (as appropriate) a surface lease or Right of Way Agreement, Certificate of Restoration, and documentation respecting corporate succession.

The applicant must deliver a copy of the application to the landowner via registered mail. The landowner has up to 14 days from when he/she receives a copy of Form 5 to deliver to the Board, in writing, any objections to the return of the deposit.

Board Review:

The Board will review the application and any objections received from the landowner. The Board will return the deposit in the following circumstances:

- The parties have agreed on compensation and the applicant has paid the landowner for initial entry.
- The Board has made an Order for compensation and the applicant has paid the landowner the amount ordered for the initial entry.
- Prior to entry, the Board's Order for entry was rescinded.
- Entry, occupation and use of the land have been terminated and a Certificate of Restoration has been issued.
- The applicant has met any other Board requirements in the Order to pay the security deposit.

If the landowner objects to the return of the security deposit, the Board may determine whether all or part of the security deposit should be returned to the applicant.

Payment Process:

If application is approved, the Board will issue an Order for the return of all or part of the security deposit and arrange for a cheque to be delivered to the appropriate person/entity.

For the Board,

Jacqueline Beltgens, Chair