

November 21, 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 WEST $\frac{1}{4}$ OF SECTION 34 TOWNSHIP 79 RANGE 17
WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT
(the "Lands")

BETWEEN:

Encana Corporation

(Applicant)

AND:

Tailwind Properties Ltd.
Rodney and Kim Strasky

(Respondents)

BOARD ORDER

On November 22, 2016, the Surface Rights Board issued Board Order 1917-1 giving Encana Corporation ("Encana") access to the lands described as:

- THE NORTH WEST ¼ OF SECTION 34 TOWNSHIP 79 RANGE 17 WEST OF THE 6TH MERIDIAN PEACE RIVER DISTRICT

for the purpose of constructing, drilling, completing, operating, abandoning and reclaiming a multi-well padsite in accordance with the Oil and Gas Commission Well Authorizations Nos. 31949, 31950, 31951, 31952, 31953, 31954, 31955, and 31956 (the "Project")

By Order 1917-1amd dated October 26, 2017, the Surface Rights Board amended Order 1917-1 to add additional Well Authorization Nos. 34355, 34356, 34357, 34358, 34359, 34360, 34361, 34362 and 34363 with no new land required for the Project.

Order 1917-1 included partial compensation payment of \$30,860.00 leaving the issue of final compensation for a later date.

The parties have reached an agreement on the amount of compensation.

BY CONSENT the Surface Rights Board orders:

1. Encana Corporation shall pay to the Respondent, TAILWIND PROPERTIES LTD., the sum of Sixty One Thousand Eight Hundred Fourteen Dollars Fifty Cents (\$61,814.50) representing the first year's initial payment determined as follows:

a) Compulsory Aspect of the right of entry:	\$7,920.00
b) Value of the applicable land:	\$23,760.00
c) Loss of Profit:	\$6,732.00
d) Nuisance and Disturbance:	\$2,000.00
e) Severance:	\$1,275.00
f) Compensation for Temporary Workspace:	\$2,987.50
g) Additional Nuisance and Disturbance (\$3000 X 16 Wells):	<u>\$48,000.00</u>
	\$92,674.50
Minus amount already paid	<u>\$30,860.00</u>
Amount Owing	<u><u>\$61,814.50</u></u>

2. Encana Corporation shall pay to the Respondent, TAILWIND PROPERTIES LTD., the following amounts on an annual basis for each year following the first year:

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|------------------------------|---------------------------|
| a) Loss of Profit: | \$6,732.00 |
| b) Nuisance and Disturbance: | \$2,000.00 |
| c) Severance: | \$1,275.00 |
| d) Additional Wells: | \$500.00 per well drilled |
3. No additional amounts are owing by Encana to the Respondents, TAILWIND PROPERTIES LTD. and RODNEY AND KIM STRASKY.

DATED: November 21, 2017.

FOR THE BOARD



Cheryl Vickers, Chair