File No. 1866 **Board Order No. 1866-1** October 16, 2015 **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 ASSIGNED BLOCK A. DISTRICT LOT 641, RANGE 5. COAST DISTRICT PLAN 850 EXCEPT PLAN 1468 (the "Lands") Pacific NorthWest LNG Ltd. (APPLICANT) (LANDOWNERS)

Michael Forhan, Norman, Forhan, Maureen Ralph, Eleanor Gertrude McDaniel (Deceased), Paul Charles Formby, Anthony James Formby, Jeanette Eleanor Formby, Maryann Catherine Liddle, Olga Jeanette Formby

**BETWEEN:** 

AND:

**BOARD ORDER** 

Telephone Mediation: September 24, 2015

Appearances: Rick Williams, Barrister and Solicitor, for the Applicant,

Salim Hirji, Barrister and Solicitor, for the Landowners

Mediator: Rob Fraser

Pacific NorthWest LNG Ltd. ("PNW") seeks a right of entry order to access certain lands legally owned by the Landowners to carry out an approved oil and gas activity, namely the construction, operation and maintenance of an oil and gas road.

PNW applies to the Surface Rights Board for mediation and arbitration services as the parties cannot reach an agreement on access and compensation. On September 24, 2015, I conducted a telephone mediation to hear PNW's application.

Generally the Landowners are not opposed to PNW's application but believe the width of the right of way is excessive. They have appealed the Oil and Gas Commission's ("OGC") Permit 9642052 to the Oil and Gas Appeal Tribunal. The Tribunal has not issued a stay of the permit.

I considered the submissions from both parties and I find that I cannot vary the terms of the OGC's permit that authorizes the use of a 75m width of land for the oil and gas road. Although the Landowners prefer PNW to use a narrower width of land, the OGC is the regulatory body responsible for approving this project and I would not wish to second guess their expertise.

Under the provisions of the *Petroleum and Natural Gas Act*, the Board may grant a right of entry order to privately owned land if it is satisfied that an order authorizing entry is required for an oil and gas activity. The Board is satisfied that PNW requires entry to the Lands for an approved oil and gas activity, namely the construction, operation and maintenance of an oil and gas road authorized by the Oil and Gas Commission's Permit 9642052.

## ORDER

- 1. Upon payment of the amount set out in paragraph 2, PNW shall have the right of entry to and access across the portions of the Lands shown outlined in red on the Individual Ownership Plan attached as Appendix "A" to construct, operate and maintain an oil and gas road authorized under Oil and Gas Commission Road Permit No. 03231 dated July 24, 2015.
- 2. PNW shall pay to the Landowners as partial compensation the total amount of \$50,000.00. All or part of the partial compensation may be repayable to PNW should the Board determine following an arbitration that total compensation for the right of entry is less.

- 3. PNW shall deliver to the Surface Rights Board security in the amount of \$25,000.00 by cheque made payable to the Minister of Finance. All or part of the security deposit may be returned to PNW, or paid to the Landowners, upon agreement of the parties or as ordered by the Board.
- 3. Nothing in this order operates as a consent, permission, approval, or authorization of matters within the jurisdiction of the Oil and Gas Commission.

DATED: October 16, 2015

FOR THE BOARD

Rob Fraser, Mediator



## INDIVIDUAL OWNERSHIP PLAN SHOWING PROPOSED ROAD

IN

## ASSIGNED BLOCK A DISTRICT LOT 641 PLAN 850 EXCEPT PLAN 1468

RANGE 5 COAST DISTRICT

