

**June 24, 2019**

**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

BLOCK A OF SECTION 13 TOWNSHIP 84 RANGE 21 WEST OF THE  
6TH MERIDIAN PEACE RIVER DISTRICT, EXCEPT PLAN PGP38270

(The "Lands")

BETWEEN:

Primavera Resources Corp.

(APPLICANT)

AND:

Derrick Charles Pearson and Brenda Annie Teitsma

(RESPONDENTS)

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**BOARD ORDER**

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Primavera Resources Corp. ("**Primavera**") seeks a right of entry order to access certain lands legally owned by the Respondents, Derrick Charles Pearson and Brenda Annie Teitsma (the "**Lands**") for the purpose of constructing, operating and maintaining one (1) uni-directional produced water Pipeline segment (the "**Pipeline**") in accordance with a permit issued by the Oil and Gas Commission on May 28, 2019.

Primavera requires access to the Lands for the purpose of constructing, operating and maintaining the Pipeline.

Accordingly, Primavera applied to the Board for mediation and arbitration services to resolve the issue of access and compensation.

The Oil and Gas Commission has since issued an amendment to Primavera's application effective May 28, 2019, and have identified the project with Pipeline Project No. 000007625.

The parties have advised the Board that they have reached agreement on the right of entry as set out below.

BY CONSENT the Surface Rights Board orders:

- 1) Upon payment of the amounts set out in paragraph 2, the Applicant, Primavera Resources Corp., shall have the right to enter and access the portion of the Lands shown in Appendix "**A**" for the purpose of constructing, operating and maintaining the Pipeline in accordance with a permit issued by the Oil and Gas Commission on May 28, 2019.
- 2) Primavera shall pay the following compensation to the Respondents:
  - a. the sum of \$4,325.00 as compensation for the right of way, being 1.73 acres at the rate of \$2,000.00 per acre plus compulsory aspect of \$500.00 per acre;
  - b. the sum of \$500.00 as compensation for the temporary workspace, being 0.2 acres at the rate of \$2,000.00 per acre plus compulsory aspect of \$500.00 per acre; and
  - c. the sum of \$7,465.00 as compensation for severance, nuisance, inconvenience and time spent in negotiations.
- 3) The Applicant, Primavera Resources Corp., agrees to be bound by the conditions listed in attached Appendix "**B**".

- 4) The Board retains jurisdiction to provide mediation and arbitration services with respect to construction damages off the demised premises, if any, and the parties are at liberty to return to the Board if necessary to resolve any issue respecting construction damages.
- 5) Nothing in this order operates as consent, permission, approval or authorization of matters within the jurisdiction of the Oil and Gas Commission.

Dated: June 24, 2019

FOR THE BOARD



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Cheryl Vickers, Chair



## **APPENDIX “B”**

### **Nature of Project:**

- a. The segment of the project traversing the Lands to be located as outlined in the McElhanney Geomatics Professional Land Surveying Ltd. IOP showing Pipeline Right-of-Way (**the “ROW”**) and Temp. Workspaces (**the “TWS”**) dated April 15, 2019;
- b. The Pipeline located in the ROW will be of a category no greater than **Level 1** with the associated setback distance to be the edge of the ROW;
- c. The ROW to only contain one (1) 168.3 millimeter OD sour salt water pipeline;

### **Crop Loss:**

- d. Any and all crop loss suffered by the Respondents on the Lands is to be reserved and addressed by the parties upon completion of the project;

### **Construction:**

- e. If fencing on the Lands is taken down during construction, Primavera will rebuild same at the same standards but relocate it along the actual property line rather than its current location;

### **Cleaning of Equipment:**

- f. Primavera will ensure that all equipment will be cleaned in the contractor's yard prior moving on to the Lands;
- g. Primavera to notify the Respondents' legal counsel to allow for an inspection of the equipment by the Respondents prior to the start of construction;

### **Monitoring:**

- h. A representative of Primavera to ensure the above-mentioned commitments are followed and documented;

- i. A representative of Primavera to provide periodic updates to the Respondents' legal counsel during kick-off, construction and cleanup;
- j. Any changes to the above commitments will be discussed with the Respondents' legal counsel prior to implementation; and

**Post-Construction:**

- k. Primavera to schedule phone calls with the Respondents when inspections are being conducted on the Right-of-Way, so that the Respondents can address any issues at that time.