

Vocal on behalf of rural landowners.
Independent of politics and profit.
Advice landowners can use.



Farmers' Advocacy Office

Independent Land Information & Advocacy Office - Dawson Creek, British Columbia

Quarterly Report
December 31, 2016

Aspen Grove
Property Services



New Harvest Media Inc.

**Farmers' Advocacy Office Progress Report
2Q2016 (Oct. 1 - Dec. 31, 2016)**

A. PUBLIC PRESENTATIONS, MEETINGS & EVENTS

Date	Location	Event
4 & 5 Oct	Dawson Creek	Landowner and Elvin participated in SRB arbitration
11-Oct	FAO	Landowner meeting with Elvin and oil and gas company representatives regarding OGC regulated pipeline
13-Oct	FAO	Landowner meeting with Elvin and oil and gas company representatives regarding new lease
18-Oct	FAO	Landowner and Elvin participated in SRB mediation teleconference
25-Oct	PRRD	FAO Quarterly Report & meeting with Management Board
3-Nov	FAO	Elvin & Judi met with local lawyer wanting to learn more about landowner challenges with the oil and gas industry
7 & 8 Nov	Fort St. John	Landowner and Elvin participated in SRB arbitration
15-Nov	FAO	Landowners meeting with Elvin and oil and gas representative regarding OGC regulated pipeline & proposed wellsite
18-Nov	FAO	Landowner and Elvin met with oil and gas representative regarding rent review
22-Nov	FAO	Elvin & Judi participated in NRB Land Matters Group Steering Committee teleconference re: the NEB Modernization Initiative
24-Nov	FAO	Landowner and Elvin participated in SRB mediation teleconference
28-Nov	FAO	Landowner and Elvin participated in SRB mediation teleconference
1-Dec	FAO	Landowners and Elvin participated in SRB mediation teleconference
12-Dec	FAO	Elvin & Judi participated in NEB Land Matters Group - Subcommittee on Landowner Guidance teleconference
12-Dec	FAO	Landowner and Elvin participated in SRB mediation teleconference
13-Dec	FAO	Landowner and Judi participated in SRB pre-arbitration teleconference

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B. CLIENTS BY LOCATION (New and Return)

		Electoral Area 'B'	Electoral Area 'C'	Electoral Area 'D'	Electoral Area 'E'	Other	Total
Q1	New	6	0	14	1	0	21
	Return	49	0	123	17	5	194
Q2	New	7	0	17	1	0	25
	Return	44	0	126	13	8	191
Q3	New	7	2	19	8	1	37
	Return	47	3	115	12	8	185
Q4	New	5	0	23	5	1	34
	Return	37	2	109	12	3	163
							850

C. CLIENTS SERVED BY ACTIVITY TYPE

- 1 Information Only.** *Information only involves providing background information, assisting in filling out forms, explaining rights. Typically no further action is required.*

Q1	Q2	Q3	Q4	Total
58	72	51	54	235

Summary of Discussions (Key Themes):

Brochures & information given out to first time visitors to the FAO, or landowners dealing with Oil & Gas Companies for the first time. "Landowner Information Guide", "In-Brief: Landowners" and "Understanding the System" are most often given out.

Explained rights and gave out information about pipelines/flow lines and NEB pipelines - jurisdiction, compensation & rights pertaining to abandonment.

Explained rights to landowners who have received correspondence from companies seeking permission to survey or to conduct geophysical activity on their land.

Explained rights to landowners who have received notification that oil & gas activity is planned on adjacent property.

Discussed remedies with landowners who have not received lease rent payments from Oil and Gas Company when due. Also assisted landowners who received overdue notices and/or demand letters from The Surveyor of Taxes advising that property tax was overdue on oil and gas company leases on their land.

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C. CLIENTS SERVED BY ACTIVITY TYPE

- 2 Support Landowners in Negotiations.** *Supporting Landowners in negotiations involves engagement with the industry prior to a lease being signed.*

Q1	Q2	Q3	Q4	Total
35	29	32	34	130

Summary of Discussions (Key Themes):

Provided comparative information to clients to assist them in determining value of ROW and/or land for leases. There continues to be much NEB regulated pipeline activity in the area, and a corresponding number of visitors requesting information & assistance.

Assisted clients in negotiating monetary compensation and terms of leases as well as nuisance, trespass and disturbance claims consistent with the Petroleum & Natural Gas Act.

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C. CLIENTS SERVED BY ACTIVITY TYPE

3 **Implementation.** *Implementation means that a lease is in place. Activities involve addressing concerns over fulfilling the terms of the lease and negotiation of subsequent leases.*

Q1	Q2	Q3	Q4	Total
122	115	139	109	485

Summary of Discussions (Key Themes):

Assisted clients in negotiating with industry regarding:

- rent reviews
- non-compliance issues (such as noise, contamination, leakage & weed control)
- trespass and damage to property
- road access & use (often multiple users)
- actual crop loss
- validity of leases
- non-payment of rents & property taxes
- assignment of rents
- abandonment of well sites and pipelines
- change of use issues
- expansion of well sites, creating multi well pads
- NEB/OGC jurisdictional issues
- **increase in H2S percentage in wells and pipelines**

Assisted clients in determining status of leases, by researching titles and Crown Grants.
Untenured oil & gas activity flowing from administrative oversight at Crown Grant.

Continued to be engaged with Land Matters Group Steering Committee at the National Energy Board dealing with a wide array of client issues. Also involved in the NEB Land Matters Group - Subcommittee on Landowner Guidance.

Assisted clients with submissions to OGC, OGAT & SRB

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D. RESULTS OF INTERACTIONS WITH OIL & GAS INDUSTRY AND THEIR AGENTS

Results of support to farmers, ranchers or rural residents in their interactions with the oil and gas industry and their agents

Number of Successful Interactions. *(ie. Issue or conflict resolved, no further action or escalation,*

Q1	Q2	Q3	Q4	Total
8	11	5	20	44

Number of Interactions in Progress. *(ie. Issue is still being discussed, no resolve or escalation at this time)*

Q1	Q2	Q3	Q4	Total
71	52	74	53	250

Number of Escalated Interactions. *(ie. conflict not resolved or escalated to mediation, arbitration, or Surface Rights Board)*

Q1	Q2	Q3	Q4	Total
7	9	6	6	28

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E. WEBSITE USAGE

**Virtual Office Update
Usage Statistics**

	Jul - Sept 2016	Oct - Dec 2016	Jan - Mar 2016	Apr -Jun 2016
Sessions	616	699	564	761
Users	508	477	459	629
Page views	1,410	1,518	1,273	1,651
Average Pages/Session	2.29	2.17	2.26	2.17

Google Analytics Terminology

Sessions:

https://support.google.com/analytics/answer/2731565?hl=en&ref_topic=1012046

Users:

https://support.google.com/analytics/answer/2992042?hl=en&ref_topic=1012046

Most Popular Pages (October - December 2016)

The ten most popular pages (by page views) were:

1. Home page (644)
2. Lease Values - Database Map (52)
3. Understanding the System (50)
4. Talk to Us (44)
5. Links (36)
6. Get Help (27)
7. Do Your Own Research (26)
8. Know Your Property Rights (26)
9. Leases & Sales (25)
10. Compensation (21)

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F. RECOMMENDATIONS FOR IMPROVEMENTS TO THE PROGRAM

Section F is a separate document provided to the Management Committee at the option of the Service Provider and is not required as part of the Quarterly Report.

During this reporting period 1 Access Road, 2 Rent Reviews, 1 Wellsite Lease & 34 ROW documents were downloaded from the SRB.

A number of clients have come to the FAO with concerns about proposed increases in the percentage of H2S in existing wells and pipelines. While oil and gas companies can and do apply for amendments to existing permits, it is our view that perhaps a more transparent process, including broad public notification and information sessions held in advance, would be beneficial. There may be much to be gained by public sessions attended by the oil and gas companies and the OGC. In our view these proposed changes in H2S levels that affect entire communities, should attract greater public awareness through formal presentations made by the proponent to the PRRD, as these changes are not without impact on human and livestock safety, the environment, and real estate values.

OVERVIEW OF MEDIATIONS & ARBITRATIONS

SRB MEDIATIONS:

- The FAO has been involved in 7 mediations during this reporting period, and 2 of these have been settled. Links to “Right of Entry” orders:

<http://www.surfacerightsboard.bc.ca/Documents/OilAndGasOrders/Order%201915-1.pdf>

<http://www.surfacerightsboard.bc.ca/Documents/OilAndGasOrders/Order%201916-1.pdf>

SRB ARBITRATIONS:

- The FAO attended 2 arbitration hearings during this reporting period. Below is the link to one of the decisions, and the other has not yet been decided.

<http://www.surfacerightsboard.bc.ca/Documents/OilAndGasOrders/Order%201840-1847-2.pdf>

NEB ARBITRATIONS (Natural Resources Canada):

- The FAO continues to assist landowners who have retained legal counsel to resolve a dispute over compensation for a NEB pipeline on his property. The negotiations are continuing.

NOTES:

- See below for the decision published in the OGAT hearing that Judi attended as an observer on September 12th & 13th:

<http://www.ogat.gov.bc.ca/dec/2015oga007a.pdf>

- The FAO continues to assist landowner re: appeal of SRB Arbitration decision. The court date was December 16th and a decision is pending.