

File No. OG 004-08

Lorne F. G. Carter )  
Deputy Mining and Lands Commissioner )

Thursday, the 29th day  
of January, 2009.

## THE OIL, GAS AND SALT RESOURCES ACT

### IN THE MATTER OF

An application for Joining of interests, pooling order, under the **Oil, Gas and Salt Resources Act**, R.S.O.1990, c. P.12, as amended by 1994, c. 27, s. 131; 1996 c. 30, s. 56-70; 1998, c. 15, Schedule E, s. 24; 1999, c. 12, Schedule N, s. 5; 2000, c. 26, Schedule L, s. 8; 2001, c. 9, Schedule K, s. 4; 2002, c. 18, Schedule L, s. 6; 2006, c. 19, Schedule P, s. 4., c. 4, s.38, for an Order, by the Commissioner, pursuant to subsection 8(1) that, (a) the oil or gas interests within a spacing unit be joined for the purposes of drilling or operating an oil or gas well; (b) management of the drilling or operation be carried out by the persons or class of persons named or described in the order; and (c) the costs and benefits of the drilling or operation within the spacing unit be apportioned in the manner specified in order (the “**Order**”);

### AND IN THE MATTER OF

Any application pursuant to Ontario Regulation 245/97, amended to O. Reg. 75/04, at clause 9(3)(a) and (b) wherein; No person shall, drill a well in a spacing unit that has not been pooled; produce oil or gas from a spacing unit that has not been pooled and at subsections 14(3) and 14(4) whereby the application for the order to allow pooling within a spacing unit shall include specific information to the extent that it is applicable to the issues being determined (the “**Regulation**”);

### AND IN THE MATTER OF

All and singular those parcels, lots or tracts of land and premises, comprising of 50 acres more or less, geographically described as the North half of the South half of Lot 1, Concession 1, in the Geographic Township of Bayham, Municipality of Bayham, County of Elgin, Province of Ontario and further described on Schedule “A” attached hereto and forming part of this Order (the “**Spacing Unit**”);

**AND IN THE MATTER OF**

All and singular those certain parcels, lots or tracts of land and premises, situate lying and being within the subject Spacing Unit, belonging to: Robert Thomas Carrel and Suzanne Lynn Carrel comprised of approximately 3.13 acres, Thomas Edward Carrel and Robert Thomas Carrel comprising of approximately 3.13 acres, and Robert Christian Pierce and Kimberley Helen Pierce comprising of approximately 43.74 acres, (Pooled Lands).

**B E T W E E N:**

ECHO ENERGY CANADA INC.

Applicant

- and -

NRG CORP.

[Respondent working interest party who has not entered into a Voluntary Pooling Agreement with the Applicant]

Respondents of the First Part

- and -

ROBERT THOMAS CARREL, and SUZANNE LYNN CARREL, THOMAS EDWARD CARREL and ROBERT THOMAS CARREL, ROBERT CHRISTIAN PIERCE and KIMBERLEY HELEN PIERCE

[such landowner(s) who have signed into Petroleum and Natural Gas Leases and Grants in favour of either the Applicant, Echo Energy Canada Inc. or NRG Corp.]

Respondents of the Second Part

- and -

FARM CREDIT CORPORATION, SHADE OAK SWINE LTD. and ROYAL BANK OF CANADA

[Mortgages in respect of the lands comprising of the Spacing Unit]

Respondents of the Third Part

**AND IN THE MATTER OF**

Clause 14(3)(h) of the Ontario Regulation 245/97, amended to O. Reg. 75/04 providing that the relationship between the landowners, Respondents of the First Part, the Second Part and the Initial Unit Operator, the Applicant, be governed by a specific Pooling Agreement attached hereto and forming part of this Order under Schedule “ B ”;

**AND IN THE MATTER OF**

Service of the Order shall include notice on all Landowners within both; the executed and ordered aforesaid Pooling Agreement in favour of the Lessee (initial unit operator) that the various habendum and pooling clauses each contained therein are being exercised by the Lessee;

**AND IN THE MATTER OF**

In the alternative, an Application for an Order which joins the interests of the Respondents with the interests of the Applicant within the spacing unit pursuant to Clauses 8(1)(a) (b) and (c) of the **Oil, Gas and Salt Resources Act, R.S.O. 1990.c.P.12**, as amended, on terms and conditions specified and filed with the Application and forming the Order herein.

**ORDER ON COSTS**

**1. IT IS ORDERED** that no costs pertaining to the hearing of this matter shall be payable by any of the parties.

**2. IT IS FURTHER ORDERED** that upon hearing the arguments and submissions for and against an award in favour of the Applicant, the tribunal finds that no cost awards will be ordered.

**3. IT IS FURTHER ORDERED** that this Order and the Order of the 16th day of October, 2008, will continue to be binding on the Applicant and the Respondents of the First and Second Parts and their executors, heirs, successors or assigns.

Reasons for this Order On Costs are provided at the conclusion to the Reasons for the Order on the Merits found herein, dated the 16th day of October, 2008.

**DATED** this 29th, day of January, 2009

Original signed by L. Carter

Lorne F. G. Carter  
Deputy Mining and Lands Commissioner