File No. OG 005-02

L. Kamerman Mining and Lands Commissioner) Friday, the 25th day of July, 2003.

THE OIL, GAS AND SALT RESOURCES ACT

)

IN THE MATTER OF

Subsection 8(1) of the Oil, Gas and Salt Resources Act, R.S.O. 1990, c.P.12, as amended by 1994, c.27, s.131 and 1996, c.30, s.56-70 and 74 and 1998, c. 15, Sched. E, s. 24 and 1999, c. 12, Sched. N., s.5 and 2000, c.26, Sched. L, s. 8 and 2001, c. 9, Sched. K., s. 4 and Section 14 of Ontario Regulation 245/97, amended to O. Reg. 22/00;

AND IN THE MATTER OF

An application by Metalore Resources Limited (the "Applicant") for an Order joining the interests Phillip Charles Bentley and John Doleman (hereinafter collectively referred to as the "Respondents") pursuant to the above-noted provisions, together with the interests of Terry Bertrand Stevens (hereinafter referred to as "Stevens"), the interests of Ivan Keith and Frances Mary Still (hereinafter referred to as "Stills") and the interests of Joseph Blommaert (hereinafter referred to as "Blommaert");

AND IN THE MATTER OF

Ontario Regulation 440/93 made pursuant to the Petroleum Resources Act, R.S.O. 1990, c. P-12 and that part of the Ministry of Natural Resources Spacing Order 2000-53, dated December 7, 1999 and involving Charlotteville Township, in Norfolk County, being comprised of Part of Lot 12, Concession I, in the geographic Township of Charlotteville, in the County of Norfolk, forming Schedule "A" to this Order (the "Spacing Unit");

AND IN THE MATTER OF

Those lands of Phillip Charles Bentley and John Doleman described as: the west half of the north half of Lot 12, in the first Concession, in the geographic Township of Charlotteville, in County of Norfolk, composed of 50 acres, forming Schedule "B" to this Order (hereinafter collectively described as the "Respondent's Lands");

BETWEEN:

METALORE RESOURCES LIMITED

Applicant

- and -

PHILLIP CHARLES BENTLEY AND JOHN DOLEMAN Respondents

AND IN THE MATTER OF

An application for an Order that fixes the amount, if any, of past royalties payable to Phillip Charles Bentley and John Doleman on the basis of their respective acreage contributed to the Spacing Unit; and an Order joining all the interests in the Spacing Unit including those of Phillip Charles Bentley and John Doleman in accordance with the above noted statutory authority, providing that the relationship between the Applicant and the Respondents be governed by a Petroleum and Natural Gas Lease and Grant, the form of which has been filed with this Application and an Order declaring that, to the extent all tracts within the Spacing Unit are operated as a pooled Spacing Unit pursuant to the above-noted statutory authority, the interests of the Respondents and all royalties, past and present, shall be determined based upon their respective acreage contributed to the Spacing Unit in accordance with the above-noted Lease and Grant.

O R D E R

WHEREAS this application was received by this tribunal on the 14th day of June, 2002;

AND WHEREAS a consent to grant this application without costs and with conditions, dated the 23rd day of July, 2003, was filed by Mr. Mark Abradjian, counsel for the Applicant;

AND WHEREAS a consent to grant this application without costs and with conditions, dated the 24th day of July, 2003, was filed by Mr. Phillip Charles Bentley and Mr. John Doleman, the Respondents;

AND WHEREAS the parties agree and acknowledge that the conditions set out in this Order do not affect the rights and obligations of the parties as set out in the Lease dated the 16th day of September, 1964, between the parties;

AND FURTHER the parties acknowledge that there is no requirement under the Lease for the Applicant to perform any of the conditions set out herein;

AND FURTHER the parties acknowledge and agree that their consent to this Order is a compromise to avoid the cost and inconvenience of a hearing scheduled to take place on 24th day of July, 2003 and does not otherwise prejudice their rights or alter their obligations.

1. THIS TRIBUNAL ORDERS that this application be and is hereby granted upon the following conditions.

- 1. The Applicant will consider entering into a new Lease directly with the Respondents. The Applicant will make best efforts to deliver a draft Lease to the Respondents by the 1st day of November, 2003.
- 2. The Applicant has agreed to provide proof of insurance to the Respondents.
- 3. The Applicant will make best efforts to not perform any major work on Well #82 between the 20th day of April and Labour Day of each year with the exception of emergency work or work required by the Ministry of Natural Resources to put the Well back into production or to comply with any Regulations, Orders or Statutes, applying to Well #82.
- 4. The Applicant will provide to the Respondents a one-time \$1,500.00 fence allowance for the purpose of erecting a fence, if so desired, by the Respondents and at their own expense, provided that any fence erected complies with the requirements of the Ministry of Natural Resources and any Regulations, Orders or Statutes applying to Well #82.

5. **THIS TRIBUNAL FURTHER ORDERS** that no costs shall be payable by either party to this application.

DATED this 25th day of July, 2003.

Original signed by L. Kamerman

L. Kamerman MINING AND LANDS COMMISSIONER