

OGC File: 9637359

February 27, 2013

KM LNG Operating Ltd.
1000, 700 – 9th Ave SW
Calgary, Alberta T2P 3V4

Attention: Surface Land Administrator

Re: Approval for Changes in and About a Stream

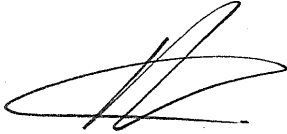
This approves you, under Section 9 of the *Water Act* to make changes in and about a stream as follows:

1. KM LNG Operating Ltd. is permitted to infill the upper section of a tributary to Bish Creek located at the UTM location N. 5976263 E. 515848 (datum 9, NAD 83) within the boundary of Storage Area A as defined in the construction plan number JOB: 2321-01197-0; DRAWING: 01197SK-SPA1, REV1, dated November 2, 2012. A copy of the construction plan has been attached to this permit.
2. This approval does not authorize any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat, as described within the *Federal Fisheries Act of Canada*.

Additional Conditions:

1. No in-stream works on fish bearing streams or works that may adversely impact fish or fish habitat are authorized.
2. Work within the wetted area of the tributary to Bish Creek is not authorized during seasonal high flow events.
3. KM LNG Operating Ltd. must ensure a qualified professional is on site for infill operations within the high water mark of the tributary to Bish Creek. This individual must have the authority to issue a stop work order if fish or important fish habitat is determined to be at risk within or downstream of the project area, and will be responsible for developing/implementing mitigation measures to ensure no impact to fish and fish habitat, as required. A post construction report must be prepared by the qualified professional detailing the construction activities that have taken place, the mitigation implemented and its effectiveness in protecting fish and fish habitat within the workspace and downstream. The report must be made available to the Oil and Gas Commission and the Haisla Nation upon request.

The attached documents form an integral part of this authorization.

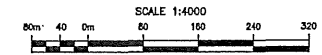


Ryan Stark
Natural Resource Officer

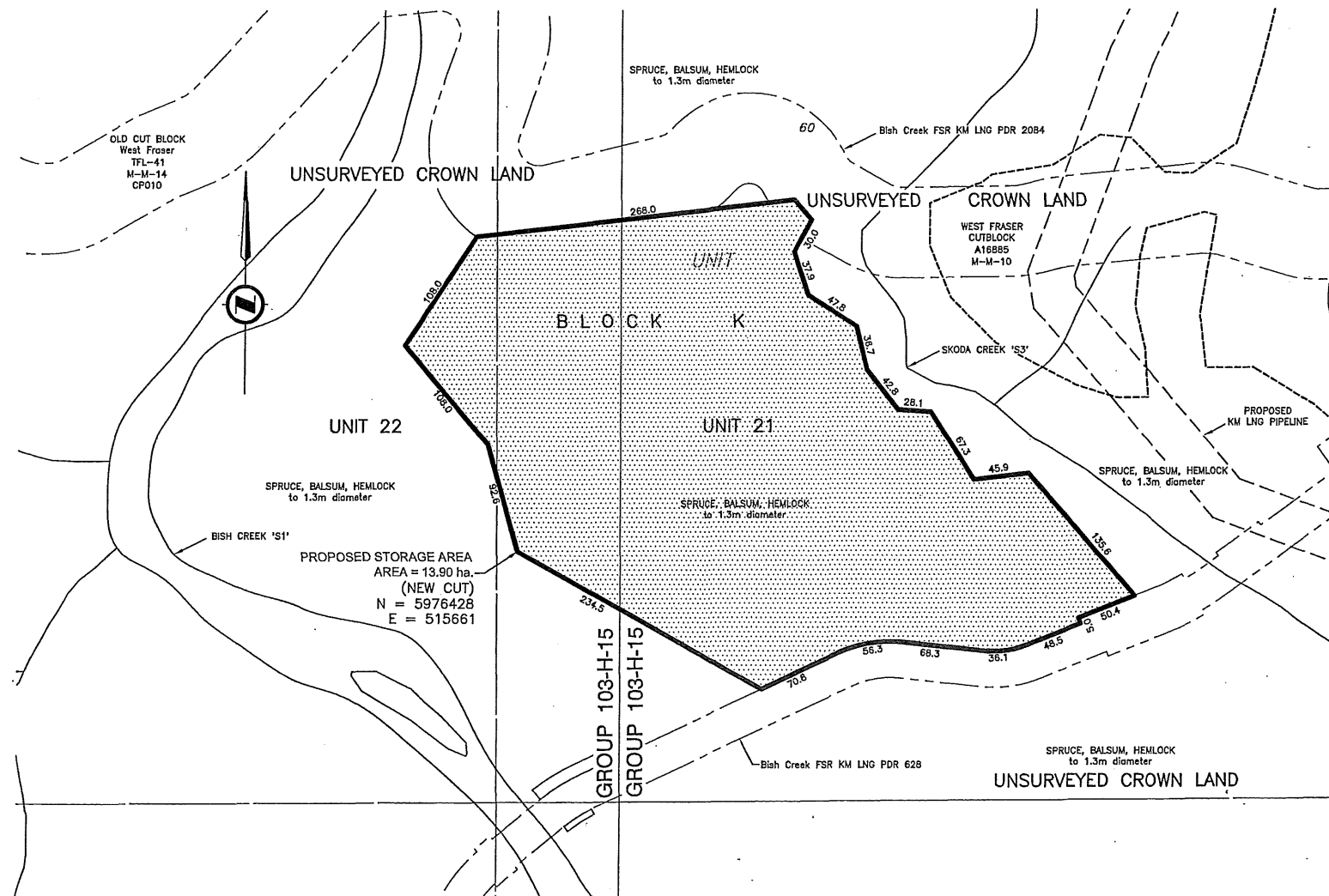
pc: Scott Land & Lease Ltd.
pc: OGC File: 9637359
pc: Haisla Nation

SKETCH PLAN SHOWING
 PROPOSED STORAGE AREA,
 1.0 km ALONG BISH CREEK
 ACCESS ROAD PDR 628,
 WITHIN
 UNIT 21 and 22, BLOCK K, GROUP 103-H-15
 UNSURVEYED CROWN LAND AND FOREST TENURE
 RANGE 4, COAST DISTRICT

BCGS: 103H_097



9637359



PROPOSED STORAGE AREA
 AREA = 13.90 ha.
 (NEW CUT)
 N = 5976428
 E = 515661

NOTES:
 ALL DIMENSIONS ARE IN METRES AND DECIMALS THEREOF.
 COORDINATES SHOWN ARE NAD 83 (CSRS) UTM ZONE 8.
 ALL COORDINATES SHOWN ARE FOR THE CENTROID
 SHOWN IN NAD 83 (CSRS) UTM ZONE 8.

AREAS (MAXIMUM DISTURBANCE):

	NEW CUT	EXISTING CLEARING	TOTAL
STORAGE AREA	13.90 ha.	0.00 ha.	13.90 ha.
TOTAL DISTURBANCE	13.90 ha.	0.00 ha.	13.90 ha.

LEGEND:

Cutblock shown thus:	
Creek shown thus:	
Existing Right of Ways:	
Proposed STORAGE FIT Limits:	

No.	REVISIONS	BY	DATE	CHKD.
0	ISSUED FOR APPROVALS	RJH	JULY 12, 2011	CJH
1	REVISED STORAGE AREA	CBM	NOVEMBER 2, 2012	CJH

DRAWING : 01197SK-SPA1 JOB : 2321-01197-0 EPASS : 10040531
 3111-21293-0

McElhanney Consulting Services Ltd.
 SUITE 1-3028 POPLAR AVENUE PH (250) 635-7163
 TERRACE BC V8G 4S8 FAX (250) 635-9566

DRAWN BY : RJH
 CHECKED BY : EH
 PARTY CHIEF :
 REVISION : 1