



August 2, 2016

Prince Rupert Gas Transmission Ltd.
Attn: Stacey Boreski (Mail Drop Box# 2350)
450 – 1st Street SW
Calgary, Alberta T2P 5H1

Attention: Keri-Lynn Bruce

RE: Sump within Unit 51, Block G, 103-P-9 and DL 660; Units 41 & 42, Block G, 103-P-9 and REM DL 658 & 660, Units 42 & 52, Block G, 103-P-9 and DL 660

Date of Issuance: August 2, 2016
Commission No.: 9642428

PERMISSIONS

Petroleum and Natural Gas Act

1. Pursuant to section 138(1) of the *Petroleum and Natural Gas Act*, the permit holder is permitted to enter, occupy, and use any unoccupied Crown land located within the areas described in the attached sketch plan, WSP FILE: 130425SK08R0, sheet 1-3 of 3, revision 0, dated March 17, 2015 (the "construction plan"), by WSP Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated May 11, 2015 to construct and operate a related activity for the purposes of carrying out oil and gas activities as defined in the *Oil and Gas Activities Act* (hereinafter referenced together as the "operating area"), subject to the conditions set out below.
 - (1) The permission to occupy and use Crown land expires two years from the date of issuance, unless the Commission has received notice of construction start, or this permit is otherwise extended, suspended, cancelled, surrendered or declared spent.
 - (2) The permission to occupy and use Crown land does not entitle the permit holder to exclusive possession of the operating area.
 - (3) The total disturbance within the operating area must not exceed 5.00 ha.

AUTHORIZATIONS

Forest Act

2. Pursuant to section 47.4 of the *Forest Act*, the permit holder is authorized to remove Crown timber from the operating area under Cutting Permit No. 34 under Master Licence to Cut number M02374.
3. This Cutting Permit is deemed spent upon the submission of the post-construction plan or upon either the cancellation or the expiry of the activities authorized by this permit.

CONDITIONS

Notification:

4. A notice of construction start must be submitted to the Commission a minimum of 48 hours prior to the commencement of activities under this permit. Notification must be sent via OGC.ExternalNotifications@bcogc.ca.
5. Within 60 days of the completion of construction activities under this permit, the permit holder must submit to the Commission a post-construction plan as a shapefile and PDF plan accurately identifying the location of the total area actually disturbed under this permit. The shapefile and plan must be submitted via eSubmission.
6. The permit holder must notify Wilps Wii Mugulswx a minimum of 5 days prior to commencing any construction activities under this permit.
7. The permit holder must notify Wilps Gitludaahlxw a minimum of 5 days prior to commencing any construction activities under this permit.

General:

8. The rights granted by this permit in relation to unoccupied Crown land are subject to all subsisting grants to or rights of any person made or acquired under the *Coal Act*, *Forest Act*, *Land Act*, *Mineral Tenure Act*, *Petroleum and Natural Gas Act*, *Range Act*, *Water Sustainability Act* or *Wildlife Act*, or any extension or renewal of the same.
9. The permit holder must not assign, sublicense or transfer this permit or permit any person to use or occupy Crown land, other than its employees, contractors, or representatives, without the Commission's written consent.
10. The permit holder must ensure that any Crown land within the operating area is maintained in a condition so as to minimize hazards, including but not limited to hazards associated with storage of materials and equipment.
11. The permit holder must ensure that any Crown land within the operating area is free of garbage, debris and unused equipment.

Environmental:

12. Prior to commencing clearing associated with this permit, the permit holder must conduct a survey identifying any bear dens located within 200 metres of the permitted activity.
13. The permit holder must not undertake clearing or significant maintenance activities within 200 meters of any active grizzly bear or black bear den that was identified by the survey conducted in accordance with condition #12, between December 1 and April 30.
14. Upon completion of construction activities authorized under this permit, the permit holder must take reasonably practicable measures to re-vegetate with species of high forage value to moose.
15. The permit holder must not undertake clearing or significant maintenance activities between November 15 and May 15 in areas of moderate to high moose winter range identified in the Kispiox LRMP Higher Level Plan Objectives for Biodiversity, Visual Quality and Wildlife, January 2006.
16. Drilling waste disposal, sump construction, registration, and decommissioning must be performed in accordance with the requirements of the British Columbia Oil and Gas Handbook Drilling Waste Management Chapter.
17. Following completion of the construction activities authorized under this authorization the permit holder must, as soon as practicable,
 - (1) decompact any soils compacted by the activity;
 - (2) if natural surface drainage pattern was altered by the carrying out of the activity, the permit holder must restore, to the extent practicable, to the drainage pattern and its condition before the alteration; and

(3) ensure re-vegetation of any exposed soil on the operating area including, where necessary, using seed or vegetative propagules of an ecologically suitable species that

(a) promote the restoration of the wildlife habitat that existed on the operating area before the oil and gas activity was begun, and

(b) stabilize the soil if it is highly susceptible to erosion.

18. Following completion of the activities permitted under this permit, any surface soils removed from the operating area must be redistributed so that the soil structure is restored, to the extent practicable, to its condition before the activity was begun.

Clearing:

19. All harvested Crown timber must be marked with Timber Mark Number MTB 459.

20. Cutting Permit No. 34 does not grant the permit holder the exclusive right to harvest Crown timber from the operating area. Authority to harvest some or all of the timber may be granted to other persons. The permit holder's right to harvest timber applies to any timber found on the operating area at the time they undertake harvesting activities.

21. Stumpage for Cutting Permit No. 34 will be calculated in accordance with the Interior Appraisal Manual as amended from time to time. In the current version of the Manual, stumpage will be determined in accordance with Table 6-3 (volume based).

22. The Interior merchantability specifications and monetary waste billing requirements in the Provincial Logging Residue and Waste Measurement Procedures Manual that are in effect upon issuance of this authorization apply to any waste assessments required under Master License to Cut M02374.

23. The holder of Cutting Permit No. 34 must pay to the government, stumpage and any waste billing determined in accordance with the terms of this authorization.

24. The permit holder is authorized to fell any trees located on Crown land within 1.5 tree lengths of the operating area that are considered to be a safety hazard according to *Workers Compensation Act* regulations and must be felled in order to eliminate the hazard. Trees or portions of these trees that can be accessed from the operating area without causing damage to standing timber may be harvested.

25. This permit authorizes a maximum total new cut area within the operating area of 5.00 ha.

Archaeology:

26. An Archaeological Impact Assessment (AIA) is required for the proposed development area prior to any development activities taking place.

27. An AIA report must be submitted to the Commission, Wilps Wii Mugulswx and Wilps Gitludaahlxw as soon as practicable.

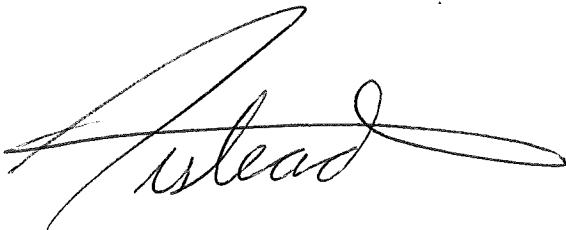
28. If artifacts, features, materials or things protected under section 13(2) of the Heritage Conservation Act are identified the permit holder must, unless the permit holder holds a permit under section 12 of the Heritage Conservation Act issued by the Commission in respect of that artifact, feature, material or thing:

- a. immediately cease all work in the vicinity of the artifacts, features, materials or things;
- b. immediately notify the Commission and the Archaeology Branch of the Ministry of Forests, Lands and Natural Resource Operations
- c. refrain from resuming work in the vicinity of the artifacts, features, materials or things except in accordance with an appropriate mitigation plan that has been prepared in accordance with the Heritage Conservation Act and approved by the Archaeology Branch of the Ministry of Forests, Lands and Natural Resource Operations.

ADVISORY GUIDANCE

1. Appropriate tenure will be issued upon acceptance of the post-construction plan. Submission of the original application and submission of the post-construction plan is considered an application for all subsequent applicable *Land Act* tenures. Upon the Commission's acceptance of the post-construction plan no further applications for replacement tenure are required.
2. Unless a condition or its context suggests otherwise, terms used in this authorization have the same meaning as the Environmental Protection and Management Regulation under the *Oil and Gas Activities Act*.
3. If artifacts, materials or things protected under 13(2) of the Heritage Conservation Act are identified by the permit holder, Wilps Wii Mugulswx and Wilps Gitludaahlxw request to be notified of the discovery.

The attached plan(s) forms an integral part of this permit.

A handwritten signature in black ink, appearing to read 'Ashley Istead', with a long horizontal flourish extending to the right.

Ashley Istead
Natural Resource Officer

pc: Roy Northern Land Service Ltd.
Commission No.: 9642428
Worksafe BC
MoFLNRO: Skeena Stikine Forest District
OGC First Nations: NDDL, SGSN