

July 26, 2016

FortisBC Energy Inc. 16705 Fraser Highway Surrey, B,C V4N 0E8

Attention: Stacie Hammond

RE: Investigative Use within Units 17 and 18, Block J, 92-G-11

Date of Issuance: July 26, 2016 Commission No.: 9644400

PERMISSIONS

Petroleum and Natural Gas Act

- 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: 010056029SK01R2, revision 2, dated June 8, 2016 (the "construction plan"), by WSP Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated June 2, 2016 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 6.89 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. 2 under Master Licence to Cut number M02441.
- 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 the Tsleil-Waututh Nation a minimum of five (5) working days prior to commencement of investigative activities.
- 7. The permit holder must notify the Squamish Nation a minimum of five (5) working days prior to commencement of investigative activities.

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. This permit authorizes 0.53 hectares of new Crown land area disturbance only.
- 13. Upon completion of construction activities authorized under this permit, and not subsequently used for pipeline construction within 12 months following completion of works authorized by this permit, the permit holder must re-vegetate, using seed or vegetative propagules of an ecologically suitable species or implement other measures that promote restoration that existed on the area prior to commencement of any works authorized under this permit.
- 14. Within the 6.89ha geotechnical investigative use area for borehole 2016-09, no works shall be conducted on the east side of the S5 stream.
- 15. 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.

16. 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:

- 17. All harvested Crown timber must be marked with Timber Mark Number MTB 890.
- 18. Cutting Permit No. 2 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.
- 19. Stumpage for Cutting Permit No. 2 will be calculated in accordance with the Coast Appraisal Manual (volume based).
- 20. The Coast 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 M02441.
- 21. The holder of Cutting Permit No. 2 must pay to the government, stumpage and any waste billing determined in accordance with the terms of this authorization.
- 22. 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.

Archaeology:

- 23. An Archaeological Impact Assessment (AIA) is required for the proposed development area prior to any development activities taking place.
- 24. An AIA report must be submitted to the Commission as soon as practicable.
- 25. 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.*

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

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Andrew Osmond Natural Resource Officer

pc: CH2M Hill Energy Canada, Ltd. Commission No.: 9644400 Worksafe BC MoFLNRO: Sea to Sky District OGC First Nations: SQN, TWN