

May 26, 2016

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

Attention: Danielle Gillanders

RE: <u>Investigative Use Permit within Units 9, 10, 17, 18, 19, 20, 26, 27, 28, 29, 36, 37, 45, 45, 47, 55 & 56, Block J, 95-G-11</u>

Date of Issuance: May 26, 2016

Commission No.: 9643606

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: 010054609SK01R0, revision 0, dated September 25, 2015 (the "construction plan"), by WSP Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated November 30, 2015 (hereinafter referenced together as the "operating area"), 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* subject to the conditions set out below.
 - 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 site.
 - 3) The total disturbance within the site must not exceed 1.74 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. 1 under Master Licence to Cut number M02441.
- 3. This Cutting Permit is deemed spent upon the submission of the Post-Construction Plan.

Water Sustainability Act

4. Pursuant to section 11 of the Water Sustainability Act, the permit holder is authorized to make changes in and about streams, as shown on the construction plan for construction and maintenance activities, unless otherwise restricted by this authorization.

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CONDITIONS

Notification:

- 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 to OGC.ExternalNotifications@bcogc.ca.
- 2. 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 an ePASS shape file and PDF plan accurately identifying the location of the total area actually disturbed under this permit. The shape file and plan must be submitted to postconstructionplan@bcoqc.ca.
- The permit holder must notify the Squamish Nation a minimum of five (5) days prior to commencing any construction activities under this permit.
- 4. The permit holder must notify Tseil-Waututh Nation a minimum of five (5) days prior to commencing any construction activities under this permit.

General:

- 5. 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.
- 6. The permit holder must not assign or sublicense 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.
- 7. 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.
- 8. The permit holder must ensure that any Crown land within the operating area is free of garbage, debris and unused equipment.

Environmental:

- 9. If clearing operations are to occur between April 1 and September 14 within the Marbled Murrelet (MAMU) critical habitat, a qualified specialist must be on site during all land clearing operations. This individual must have the authority to stop or modify all construction operations as necessary if a marbled murrelet or its active nest is determined to be at risk. All operations must be conducted in accordance with mitigations recommended by a qualified professional and reflect the Geotechnical Investigations within Marbled Murrelet Critical Habitat memo dated April 7, 2016.
- 10. The permit holder must be in compliance with the General Wildlife Measures outlined in the WHA 2-517 Order and consider measures within the Geotechnical Investigations in the Spotted Owl Wildlife Habitat Area WHA 2-517 memo dated April 7, 2016, to support compliance unless an exemption is received from the Ministry of Forests, Lands and Natural Resource Operations is provided to The Commission.
- 11. The permit holder must be in compliance with the General Wildlife Measures outlined in the Ungulate Winter Range #U2-005 Order unless an exemption is received from the Ministry of Environment.
- 12. 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;

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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

- re-vegetate any exposed soil on the operating area using seed or vegetative propagules of an ecologically suitable species that
 - a) promote the restoration of the wildlife habitat that existed on the area before the oil and gas activity was begun, and
 - b) stabilize the soil if it is highly susceptible to erosion.
- 13. Following completion of the activities permitted under this permit, any surface soils removed from the site must be redistributed so that the soil structure is restored, to the extent practicable, to its condition before the activity was begun.

Clearing:

- 14. All harvested Crown timber must be marked with Timber Mark Number MTB 688.
- 15. Cutting Permit No. 1 does not grant the Permit Holder the exclusive right to harvest Crown timber from the site. 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 site at the time they undertake harvesting activities.
- 16. Stumpage for Cutting Permit No. 1 will be calculated in accordance with the Coast Appraisal Manual (volume based).
- 17. 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.
- 18. The holder of Cutting Permit No. 1 must pay to the government, stumpage and any waste billing determined in accordance with the terms of this permit.
- 19. 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:

20. An AIA report must be submitted to the Commission as soon as practicable.

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;
- 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

 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.

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

Andrew Osmond

Natural Resource Officer

pc: CH2M Hill Energy Canada Ltd. Commission No.: 9643606

Worksafe BC

MoFLNRO: Sea to Sky

OGC First Nations: Squamish Nation, Tdeil-Waututh Nation

