

Commission File: 9636410

January 7, 2016

Pacific Trail Pipelines Management Inc. Suite 2800, 421-7th Ave SW Calgary, Alberta T2P 4K9

Attention: Surface Land Administrator

Re: Correction of Road Permit

The Oil and Gas Commission hereby corrects the Permit and Authorizations Associated with the Permit, as shown on construction plan, CAN-AM FILE: N20120168, CAD FILE: N20120168RD-2-Sec4, revision 2, sheets 1-10 of 10 dated March 13, 2013 by can-am geomatics, as follows:

To correct the UTM Zone from UTM Zone 10

to

UTM Zone 9

The permit holder must comply with all conditions in the original permission and any additional conditions as noted above.

The permit holder shall comply with all applicable laws, including the Fisheries Act (Canada), Water Act, Environmental Management Act, Workers Compensation Act, Wildlife Act and the Forest Act.

This letter forms an integral part of your Permit and should be attached thereto.

Justin Anderson Authorized Signatory

Commission Delegated Decision Maker

cc: Scott Land Lease Co. Ltd.

OGC File: 9636410



Commission File: 9636410

July 10, 2013

Pacific Trail Pipelines Management Inc. Suite 2800, 421 – 7th Ave SW Calgary, AB T2P 4K9

Attention: Surface Land Administrator

Re: Correction of a Road Permit, Road Permit #02227

The Oil and Gas Commission hereby corrects the Permit and Authorizations Associated with the Permit as shown on construction plan number CAN_AM FILE: N20120168, CAD FILE: N20120168RD-2-Sec4, REVISION 2, sheets 1 through 10, dated March 13, 2013, by can-am geomatics bc, as follows:

UTM Zone and Coordinates from:

From: UTM Zone 10 Northing 6007517 Easting 569745; To: UTM Zone 09 Northing 6007339 Easting 569627

From: UTM Zone 09 Northing 6007517 Easting 569745; To: UTM Zone 09 Northing 6019837 Easting 568209

- Road Permit No. from 9636410 to 02227
- PERMISSIONS 1(c) from:

This permit cancels and replaces the road permit issued to Pacific Trail Pipelines Management Inc. on August 14, 2012.

to

This permit cancels and replaces the road works permit issued to Pacific Trail Pipelines Management Inc. on August 14, 2012.

AUTHORIZATIONS ASSOCIATED WITH THE PERMIT

- Works Permit under section 14 of the Land Act Authorization Number from: 938791 to 941406
- Cutting Permit under Master License to Cut under section 47.4 of the Forest Act Master Licence to Cut number from M0220 to M02280

The permit holder must comply with all conditions in the original permission and any additional conditions as noted above to construct and maintain road permit #02227.

The permit holder shall comply with all applicable laws, including the Fisheries Act (Canada), Water Act, Environmental Management Act, Workers Compensation Act, Wildlife Act and the Forest Act.

OGC File No.: 9636410 Date: July 10, 2013

This letter forms an integral part of your Permit and should be attached thereto.

Viva Wolf

Authorized Signatory

Commission Delegated Decision Maker

cc: Scott Land & Lease Co. Ltd.

OGC File: 9636410

MoFLNRO: Kalum Forest District

OGC First Nations, (Carrier Sekani Tribal Council, Haisla Nation, Kitselas First Nation, Lax Kw'Alaams

First Nation, Metlakatla Band Council, SkinTyee Nation, Wet'suwet'en First Nations)

WorkSafe BC



July 8, 2013

Pacific Trail Pipelines Management Inc. Suite 2800, 421 – 7th Ave SW Calgary, Alberta, T2P 4K9

Attention: Surface Land Administrator

RE: Road Permit Road Location:

From: UTM Zone 10 Northing 6007517 Easting 569475; To: UTM Zone 9 Northing 6007339 Easting

569627

Date of Issuance: July 8, 2013 Road Permit No.: 9636410 OGC File No: 9636410

PERMISSIONS

- 1. The BC Oil and Gas Commission ("the Commission"), under section 25 (1) of the Oil and Gas Activities Act hereby Permits the holder to construct and maintain an oil and gas road, subject to the following conditions:
 - a. The authorization granted under this Permit is limited to the area described in CAN-AM FILE: N20120168, CAD FILE: N20120168RD-2-Sec4, revision 2, sheets 1 through 10, dated March 13, 2013, completed by Can-Am Geomatics, as submitted to the Commission in the Permit application dated January 31, 2013.
 - b. The permission to construct an oil and gas road is deemed spent upon the submission of the report describing the location of the constructed road (section 11 OGRR). Any future modifications to the oil and gas road will require an amendment. The permission to maintain the oil and gas road remains in good standing.
 - c. This permit cancels and replaces the road permit issued to Pacific Trail Pipelines Management Inc. on August 14, 2012.

CONDITIONS

- Prior to commencing any clearing work or work to construct or modify the road under the permit, the permit holder must provide a schedule of such clearing and construction work to the Haisla Nation Council and to the Kitselas Band Council in order to facilitate representatives of the Haisla Nation and the Kitselas First Nation to attend and monitor work at times scheduled.
- 2. Prior to commencing any clearing work or work to construct or modify the road under the permit, the permit holder must provide a notification of construction start letter to the Carrier Sekani Tribal Council, Lax Kw'Alaams First Nation, Skin Tyee Nation, and Wet'suwet'en First Nation.
- 3. Prior to commencing any clearing work or work to construct or modify the road under the permit, the permit holder must provide the Commission with a minimum of two days notice of such work.
- 4. The permit holder must not undertake any clearing or road construction prior to completing an investigation of terrain stability and geotechnical analysis, including recommendations for addressing any difficult areas, that has been completed and endorsed by a qualified registered professional.

The permit holder must place and maintain a sign on each bridge that states the maximum load capacity of the bridge.

Archeology

- 6. An AIA report is required and must be submitted to the Commission as per the BC Oil and Gas Commission Archaeology Process Guidelines.
- 7. 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* in respect to 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
 - 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, endorsed by a qualified archaeologist, and approved by the Commission.

Environment

- 8. Brushing and clearing within 30 metres of research installations EP1325 and EP0712 (blocks 1 and 3) is restricted to within existing and deactivated road surfaces. The Ministry of Forests, Lands and Natural Resource Operations requests that notification be sent to Phil LePage, Research Silviculturist, via email at Phil.LePage@gov.bc.ca, 48 hours prior to commencing clearing activities within 30 metres of the boundaries of the research installations.
- 9. The permit holder must, as soon as practicable, restore streambeds and banks to pre-construction conditions in accordance with the Environmental Management Plan 3.0, dated September 8, 2011, submitted by the permit holder to the Commission.
- 10. The permit holder must retain streamside vegetation and minimize disturbance and construction activities in all streams in accordance with the Environmental Management Plan 3.0, dated September 8, 2011, submitted by the permit holder to the Commission.
- 11. Prior to construction work, the permit holder must:
 - Record the location of and information about any water well systems located within 200 metres of the road; and
 - b. Conduct testing on of water well systems located within 100 metres uphill and 200 metres downhill of the road in accordance with the standard and accepted field, sampling and laboratory procedures and prepare a report regarding water quantity and quality that contains an analysis of:
 - i. Well yields and water level responses;
 - ii. basic water chemistry, including anions, cations, pH, alkalinity, SO4;
 - iii. BTEX (benzene, toluene, ethylbenzene and xylene);
 - iv. dissolved methane and higher chain hydrocarbons; and
 - v. isotope analysis of dissolved methane, if methane is detected.
- 12. Prior to and following any blasting operations, the permit holder must conduct testing of water well systems located within 200 metres of the blasting area in accordance with standard and accepted field sampling and laboratory procedures and prepare a report regarding nitrate levels.
- 13. The permit holder must, as soon as practicable, restore recreation sites and recreation trails affected by construction to their original pre-construction condition.
- 14. The permit holder must, as soon as practicable, restore identified trapline trails affected by construction to their original pre-construction condition.
- 15. In all locations where run-off from the area of the road may flow into a watercourse, the permit holder must contour and stabilize banks and approach slopes and install temporary berms, silt fences, or cross ditches as appropriate.

16. Except with leave of the Commission, the permit holder must not undertake any clearing activities within the migratory bird nesting period between May 1st and July 31st unless the area has been previously logged, brushed, or mowed.

- 17. Environmental monitors must be on site during stream crossing activities within the high water mark on all streams.
- Construction activities within Grizzly Bear identified Watersheds, as defined in the Kalum Land Resource Management Plan, and located within 200 metres proximity of a bear den are not permitted between November 1 and May 31.

ADVISORY GUIDANCE

- 19. In accordance with section 32(1&2) of the *Oil and Gas Activities Act* and subject to section 8 of the General Regulation, this Road Permit expires two years from the date of issuance if the Road Permit holder has not begun the construction of the road as permitted. Subject to section 32(2) of OGAA the Permit holder may apply for an extension of the prescribed period.
- 20. As required under section 4 of the Oil and Gas Road Regulation the Permit holder must notify the Commission, affected landowners and affected rights holders of the construction of an oil and gas road not more than 30 days and not less than 72 hours before beginning construction or as soon as practicable if construction must be carried out as expeditiously to address an environmental or operational emergency. The notice requirements are described in section 4(2) of the OGRR.
- 21. As required under section 11 of the OGRR, within 60 days of completion of the construction this oil and gas road, the Road Permit holder must submit to the Commission a report in the form and manner specified by the Commission, describing the location of the constructed road.
- 22. In accordance with section 16 of the OGRR, a Road Permit holder may not (a) close the oil and gas road, or (b) restrict the use of the road by the Permit holder or other person, except as provided under section 20 Oil and Gas Road Regulation or to the extent necessary to carry out maintenance on the road as required under this legislation.
- 23. In accordance with section 23 of the OGRR, a Road Permit holder who intends to deactivate an oil and gas road must provide written notice of the intention to users of the road known to the Road Permit holder, any applicable landowner and the Commission. Notice requirements and timelines are described in section 23(2&3).
- 24. Following a request made by the Commission, failure to provide notification of the flagging of a known archaeological site will result in intervention by the Commission, Compliance and Enforcement. Destruction of archaeological sites is considered a contravention of the *Heritage Conservation Act* and is subject to penalty.

AUTHORIZATIONS ASSOCIATED WITH THE PERMIT

Works Permit under section 14 of the Land Act

- The Oil and Gas Commission, hereby authorizes the holder of Permit number 9636410 the following works
 Permit under section 14 of the Land Act, to occupy and use Crown land for the purpose of constructing,
 maintaining and operating a road containing 113.62 ha, under Authorization Number 938791 subject to the
 following:
 - a. The authorization to occupy and use Crown land does not entitle the Permit holder to exclusive possession of the area. The Permit holder will not interfere with the activities of another person entering on and using the area under a prior or subsequent *Land Act* disposition.
 - b. The rights granted by this Permit are subject to all subsisting grants to or rights of any person made or acquired under the Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Water Act or Wildlife Act, or any extension or renewal of the same, any prior dispositions made under the Land Act, and the exceptions and reservations of rights and interests under section 50 of the Land Act.
 - c. The Permit holder will acknowledge and agree that any interference with rights granted under this Permit by virtue of the exercise or operation of the rights or interests set out in sections (1a) or (1b) above shall

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not constitute a breach of the Province's or the Commission's obligations under this Permit and the Permit holder will release and discharge the Province and/or the Commission from any claim for loss or damage arising directly or indirectly out of any such interference. The Permit holder will also agree to pay all costs and expenses that arise out of the Permit holder's interference with the rights or interests set out in sections (1a) or (1b) and that the Permit holder will not commence or maintain proceedings under section 65 of the *Land Act* with respect to interference with the Permit holder's rights arising out of exercise or operation of the rights set out in sections (1a) or (1b).

- d. The Permit holder will immediately effect, and keep in force while occupying the site, insurance of an amount not less than \$1,000,000 protecting the Province, the Commission and the Permit holder (without any rights of cross-claim or subrogation) against claims for person injury, death, property damage, or third party liability claims arising from any accident or occurrence on the site.
- e. The Permit holder must pay, when due, the Fees to the address set out in the attached covering letter.
- The Permit holder must not assign, sublicense or transfer the Permit without the Commission's written consent.
- g. This Permit is valid for 10 years from the date of issuance unless cancelled or surrendered.

Cutting Permit under Master License to Cut under section 47.4 of the Forest Act

- 1. The Commission hereby issues the Permit holder Cutting Permit No. 10 under Master Licence to Cut number M0220, subject to the following conditions:
 - a. This Cutting Permit is subject to the terms and conditions in the Master Licence to Cut.
 - d. This Cutting Permit applies to only the Crown land portion shown on construction plan associated with this Long-Term All Weather Road (CAN-AM FILE: N20120168, CAD FILE: N20120168RD-2-Sec4, revision 2, dated March 13, 2013, completed by Can-Am Geomatics, as submitted to the Commission in the Permit application dated January 31, 2013).
 - b. All harvested Crown timber must be marked with Timber Mark Number MSZ 365.
 - c. This Cutting Permit expires upon the submission of the "As-Cleared" plan or upon the cancellation of the Road Permit if the activity permitted has not begun within the prescribed period.
 - d. This Cutting Permit is subject to and must abide by the Interior merchantable timber specifications as described in Appendix A of your Master License to Cut.
 - e. Stumpage under this cutting permit is required to be paid to the Crown and will be determined with the Ministry of Forests Interior Appraisal Manual.
 - f. Timber that is stored in decks or piles must be marked with the correct timber mark before transportation, or at the end of every shift. The marking must be applied to one end of at least 10% of the timber pieces in each deck or pile using a hammer indentation or paint. Marking must be kept concurrent with decking.
 - g. In accordance with the Master Licence to Cut referenced above, "Within 60 days of completing operations on a Cutting Permit, the Licensee shall submit to the Commission a map showing all disturbances that have occurred pursuant to that Cutting Permit, at a scale of 1:20,000 or 1:50,000".
 - h. All merchantable timber under this Permit must be utilized and all volume utilized must be reported to the Commission within 60 days of completion of the clearing phase of the activity.
 - i. New cut is not permitted within any established wildlife tree retention area.

Changes in and about a Stream Authorization under section 9 of the Water Act

- 1. The Commission hereby authorizes the Permit holder, under section 9 of the *Water Act*, to make changes in and about streams, as shown on the construction plan CAN-AM FILE: N20120168, CAD FILE: N20120168RD-2-Sec4, revision 2, dated March 13, 2013, completed by Can-Am Geomatics, as submitted to the Commission in the Permit application dated January 31, 2013.
- 2. All stream crossings must abide by the requirements of the Environmental Protection and Management Regulation sections 11 & 12.

3. The permit holder must ensure that:

- a. the stream crossing is constructed and maintained at all times in a manner that will not harm fish, or destroy, damage or harmfully alter fish habitat;
- b. the stream crossing does not prevent the movement of fish, nor impede the movement of fish to the extent that it is harmful to the survival of the fish;
- c. the sides of the stream are protected at the stream crossing location;
- d. any disturbance to the stream channel and stream bank is mitigated; and
- e. any disturbance to the stream channel and stream bank is mitigated; and
- construction and operation of the road does not result in any deleterious materials being deposited into the stream.

Viva Wolf

Authorized Signatory

Commission Delegated Decision Maker

cc: Scott Land & Lease Co. Ltd.

OGC: 9706584

MoFLNRO, Kalum Forest District

OGC, First Nations (Carrier Sekani Tribal Council, Haisla Nation; Kitselas First Nation, Lax Kw'Alaams

First Nation, Metlakatla Band Council, Skin Tyee Nation)

WorkSafe BC



August 14, 2012

PACIFIC TRAIL PIPELINES MANAGEMENT INC. #1000, 700 - 9th Avenue S.W. Calgary, Alberta T2P 3V4

Attention: Pacific Trail Pipelines Management Inc. / Bob Maxwell

RE: Temporary Occupation of Crown Land - Road Works Permit

Date of Issuance:

August 13, 2012

Commission File No:

9636410

Road Location:

UTM Zone 09 Northing 6007425 Easting 572857 to UTM Zone 09 Northing

5995297 Easting 521328

AUTHORIZATIONS

Road Works Permit under section 14 of the Land Act

PERMISSIONS

- The BC Oil and Gas Commission (the "Commission") hereby authorizes, under section 14 of the Land Act, the holder to occupy and use Crown land for the purpose of constructing, maintaining and operating a road, under Authorization Number 938791, subject to the following conditions, any applicable exemptions and authorizations.
 - a. The permissions and authorizations granted under this permit are limited to the areas of Crown land that are described in the following construction plans by Focus Surveys as submitted to the Commission in the permit application dated February 16, 2012:

FOCUS: 036609AC04R0, sheet 1 of 21, sheet 2 of 21, sheet 3 of 21, sheet 4 of 21, and sheet 5 of 21, revision 0, dated February 13, 2012.

FOCUS: 036609AC05R0, sheet 7 of 21, sheet 8 of 21, sheet 9 of 21, sheet 10 of 21, sheet 11 of 21 (except for any area within the Terrace Community Forest Limited Partnership Licence K1X-2), sheet 12 of 21 (except for any area within the Terrace Community Forest Limited Partnership Licence K1X-2), sheet 13 of 21, sheet 14 of 21, sheet 15 of 21, and sheet 16 of 21, revision 0, dated February 15, 2012; and

FOCUS: 036609AC06R0, sheet 17 of 21, sheet 18 of 21, sheet 19 of 21, sheet 20 of 21, and sheet 21 of 21, revision 0, dated February 10, 2012.

b. The permissions and authorizations granted under this permit do not include any land other than Crown land.

CONDITIONS

General

1. The permit holder must not undertake:

 a. any clearing work until a clearing plan for such work has been submitted to and approved by the Commission; or

- b. any stream crossing work until a crossing construction plan for such work has been submitted to and approved by the Commission.
- 2. Upon approval by the Commission, a clearing plan or crossing construction plan submitted in accordance with 1 above will form a part of this permit and all work conducted under this permit must be completed in accordance with the terms, conditions, and recommendations included therein.
- 3. Prior to commencing any clearing work or work to construct or modify the road under the permit, the permit holder must provide a schedule of such clearing and construction work to the Haisla Nation Council and to the Kitselas Band Council in order to facilitate representatives of the Haisla Nation and the Kitselas First Nation to attend and monitor work at times scheduled.
- 4. Prior to commencing any clearing work or work to construct or modify the road under the permit, the permit holder must provide the Commission with a minimum of two days notice of such work.
- 5. For any period of time that clearing work has been conducted under this permit, the permit holder must:
 - a. annually, on or before March 31st of each year, and
 - b. within 60 days of the date that all of the clearing work associated with the activities authorized under this permit has been completed,

submit to the Commission a Post Construction Plan as an ePASS shape file identifying the location of the total area actually cleared under this permit during the time period covered by the Post Construction Plan, including a summary of timber harvested and recovered.

- 6. The permit holder must not operate a motor vehicle on the road at a speed that is:
 - a. unsafe for the conditions of the road, or
 - b. exceeds the lesser of 80 km/hour or the speed posted on a relevant traffic control device.

Engineering, Maintenance, Deactivation

- 7. A clearing plan submitted to the Commission for approval in accordance with 1(a) above must include a report of terrain stability investigation and geotechnical analysis, including recommendations for addressing any identified difficult areas, that has been completed and endorsed by a qualified registered professional.
- 8. The permit holder must ensure that the road is designed, constructed and maintained in a manner that:
 - a. enables industrial and non-industrial users of the road to use the road safely;
 - b. preserves the integrity of the topography of the area,
 - c. maintains the drainage water in the area, and
 - d. protects the stability of the terrain in the area.
- 9. The permit holder must ensure that all bridges are designed and fabricated in compliance with:
 - a. the Canadian Bridge Design Code, Canadian Standards Association CAN/CSA-S6, and
 - b. the soil property standards, as they apply to bridge piers and abutments, that are set out in the Canadian Foundation of Engineering Manual.
- 10. The permit holder must place and maintain a sign on each bridge approach that states the maximum load capacity of the bridge.
- 11. The permit holder must ensure that each bridge is regularly inspected by a qualified person in accordance with an inspection schedule that has been prepared and endorsed by a qualified person.
- 12. Unless an exemption has been granted by the Commission, the permit holder must ensure that each culvert complies with Canadian Standards Association CSA G401, Corrugated Steel Pipe Products, or Canadian Standards Association CSA B1800, Plastic Non-pressure Pipe Compendium, whichever is applicable.
- 13. The permit holder must perform all maintenance and modifications required to ensure that:
 - a. the road prism and all access structures related to the road are stable,

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- the bridges, culverts, fords, and other structures and works associated with the road are functional and appropriate for the uses of the road, and
- c. the road can be used safely.
- 14. Except with leave of the Commission, the permit holder must, if the road is no longer required for its operations, deactivate the road by:
 - barricading the width of the road surface in a manner that is clearly visible in order to prevent access by motor vehicles;
 - b. removing all stream pipe culverts and arch culverts,
 - c. removing all bridge and log or box culvert superstructures,
 - d. removing all bridge and log or box culvert substructures if a failure of the substructures is likely to have a material adverse affect on downstream property, improvements or the environment; and
 - e. stabilising the road prism and the clearing width of the road.
- 15. The permit holder must not begin any of the deactivation activities referenced in 14(a) (e) above before the expiry of 14 days from the date it has notified the Commission of its intent to deactivate the road.

Archeology

- 16. 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* 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
 - 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 the *Heritage Conservation Act*, endorsed by a qualified archaeologist, and approved by the Commission.
- 17. If a Culturally Modified Tree, other than a Culturally Modified Tree that is considered an artifact, feature, material or thing protected under section 13(2) of the *Heritage Conservation Act*, is identified, the permit holder must:
 - a. immediately cease all work in the vicinity of the Culturally Modified Tree;
 - b. immediately notify the Commission; and
 - c. refrain from resuming work in the vicinity of the Culturally Modified Tree except in accordance with an appropriate mitigation plan that has been approved by the Commission.
- 18. The permit holder must not undertake any work in the vicinity of any known archaeological site, including archaeological site GbTc-2, unless such work has been authorized by a site alteration permit, issued pursuant to Section 12 of the *Heritage Conservation Act*, and approved by the Commission.
- 19. All known archaeological sites, including archaeological site GbTc-2, must be flagged for avoidance by a qualified archaeologist prior to the commencement any work in the vicinity of the site.
- 20. For any portion of the development area under this permit that has not been subject to archaeological assessment, an Archaeological Impact Assessment (AIA) must be completed prior to any clearing and construction activities taking place in that portion of the development area.
 - If an archaeological site is recorded as a result of an AIA, the permit holder must immediately submit the AIA report to the Commission, and must not conduct any clearing or construction work in the vicinity of the site except in accordance with an appropriate mitigation plan that has been approved by the Commission.
- 21. If no archaeological site is recorded during such AIA, the permit holder must submit the AIA report to the Commission as soon as practicable, in accordance with the Commission's Archaeology Process.

Environment

22. Any crossing construction plan that is submitted to the Commission in accordance with 1(b) above that includes plans for the installation of a multi-span bridge over the Wedeene River at crossing number 4-833

(as that crossing is identified on the construction plans by Focus Surveys submitted to the Commission in the permit application dated February 16, 2012), must:

- a. prohibit any in stream works during high flow events except with leave of the Commission; and
- b. require the permit holder to restore the stream bed and substrates to pre-construction conditions as soon as practicable.
- 23. Any crossing construction plan that is submitted to the Commission in accordance with 1(b) above that includes plans for the construction of stream crossing number 4-769 (as that crossing is identified on the construction plans by Focus Surveys submitted to the Commission in the permit application dated February 16, 2012) must conform to all of the applicable design and construction requirements for stream crossings of fish bearing streams that are set out in the Environmental Protection and Management Guidebook, except that the crossing construction plan may include a closed bottom structure at the crossing location if:
 - a. the portion of the stream up-slope from stream crossing number 4-769 has, following a fish habitat assessment, been re-classified by a qualified registered professional as non-fish bearing, and
 - b. a report documenting the finding and conclusions of the fish habitat assessment has been completed and endorsed by a qualified registered professional.
- 24. The permit holder must, upon request, provide the Commission with a copy of a report documenting the finding and conclusions of the fish habitat assessment referenced in 23(b), above.
- 25. A 30 metre buffer must be maintained from the boundaries of forest research installations EP0712 Kitimat Valley Block 1, EP0712 Kitimat Valley Block 3 and EP1325 Kitimat Valley Onion Lake flats 2.
- 26. The permit holder must, as soon as practicable, restore streambeds and banks to pre-construction conditions in accordance with the Environmental Management Plan 3.0 dated September 8, 2011 submitted by the permit holder to the Commission.
- 27. The permit holder must retain streamside vegetation and minimize disturbance and construction activities in all streams in accordance with the Environmental Management Plan 3.0 dated September 8, 2011 submitted by the permit holder to the Commission.
- 28. The permit holder must ensure that the activities associated with this permit do not result in any deleterious materials being deposited into a stream, wetland, or lake.
- 29. Prior to construction work, the permit holder must:
 - record the location of and information about any water well systems located within 200 meters of the road; and
 - b. conduct testing of water well systems located within 100 meters uphill and 200 meters downhill of the road in accordance with standard and accepted field, sampling and laboratory procedures and prepare a report regarding water quantity and quality that contains an analysis of:
 - i. well yields and water level responses:
 - ii. basic water chemistry, including anions, cations, pH, alkalinity, SO4;
 - iii. BTEX (benzene, toluene, ethylbenzene, and xylene);
 - iv. dissolved methane and higher chain hydrocarbons; and
 - v. isotope analysis of dissolved methane, if methane is detected.
- 30. Prior to and following any blasting operations, the permit holder must conduct testing of water well systems located within 200 meters of the blasting area in accordance with standard and accepted field, sampling and laboratory procedures and prepare a report regarding nitrate levels.
- 31. The permit holder must, as soon as practicable, restore recreation sites and recreation trails affected by construction to their original pre-construction condition.
- 32. The permit holder must, as soon as practicable, restore identified trapline trails affected by construction to their original pre-construction condition.
- 33. In all locations where run-off from the area of the road may flow into a watercourse, the permit holder must contour and stabilize banks and approach slopes and install temporary berms, silt fences, or cross ditches as appropriate.

34. Except with leave of the Commission, the permit holder must not undertake clearing, construction, or motor vehicle operation inside and within 500 meters of UWR U-6-001 except between June 15th and October 31st.

- 35. Except with leave of the Commission, the permit holder must not undertake any clearing activities within the migratory bird nesting period between May 1st and July 31st unless the area has been previously logged, brushed, or mowed.
- 36. Environmental monitors must be on site during stream crossings activities on S1, S2, S3 and S4 streams.

Administrative

- 1. The permit holder will indemnify the Province of British Columbia (the "Province") and the Commission against all losses, damages, costs, and liabilities arising out of any breach or non-performance of any condition or agreement set out in this permit, and any personal injury, death or property damage occurring on the site or happening by virtue of the permit holder's occupation of the site, and the amount of such losses, damages and costs shall be payable to the Province or the Commission immediately.
- 2. The permit holder will immediately effect, and keep in force while occupying the site, insurance of an amount not less than \$1,000,000 protecting the Province, the Commission and the permit holder (without any rights of cross-claim or subrogation) against claims for personal injury, death, property damage, or third party or public liability claims arising from any accident or occurrence on the site.
- 3. The authorization to occupy and use Crown land does not entitle the permit holder to exclusive possession of the area. The permit holder will not interfere with the activities of another person entering on and using the area under a prior or subsequent *Land Act* disposition.
- 4. The rights granted by this permit are subject to all subsisting grants to or rights of any person made or acquired under the Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Water Act or Wildlife Act, or any extension or renewal of the same, any prior dispositions made under the Land Act, and the exceptions and reservations of rights and interests under section 50 of the Land Act.
- 5. The permit holder will acknowledge and agree that any interference with rights granted under this permit by virtue of the exercise or operation of the rights or interests set out in 3 or 4 above shall not constitute a breach of the Province's or the Commission's obligations under this permit and the permit holder will release and discharge the Province and/or the Commission from any claim for loss or damage arising directly or indirectly out of any such interference. The permit holder will also agree to pay all costs and expenses that arise out of the permit holder's interference with the rights or interests set out in sections 3 or 4 above and that the permit holder will not commence or maintain proceedings under section 65 of the Land Act with respect to interference with the permit holder's rights arising out of exercise or operation of the rights set out in sections 3 or 4 above.
- 6. The permit holder must pay, when due, the Fees to the address set out in the attached covering letter.
- 7. The permit holder must not assign, sublicence or transfer this Permit or permit any person to use or occupy the land, without the Commission's written consent.
- 8. This authorization of a permit to occupy and use Crown land is valid for 10 years from the date of issuance unless cancelled or surrendered.

ADDITIONAL AUTHORIZATION

Changes in and about a Stream Authorization under section 9 of the Water Act

 Subject to 3, below, the Commission hereby authorizes the permit holder, under section 9 of the Water Act, to make changes in and about streams located in the areas of Crown land described in the following construction plans by Focus Surveys as submitted to the Commission in the permit application dated February 16, 2012:

FOCUS: 036609AC04R0, sheet 1 of 21, sheet 2 of 21, sheet 3 of 21, sheet 4 of 21, and sheet 5 of 21, revision 0, dated February 13, 2012.

FOCUS: 036609AC05R0, sheet 7 of 21, sheet 8 of 21, sheet 9 of 21, sheet 10 of 21, sheet 11 of 21 (except for any area within the Terrace Community Forest Limited

Partnership Licence K1X-2), sheet 12 of 21 (except for any area within the Terrace Community Forest Limited Partnership Licence K1X-2), sheet 13 of 21, sheet 14 of 21, sheet 15 of 21, and sheet 16 of 21, revision 0, dated February 15, 2012; and

FOCUS: 036609AC06R0, sheet 17 of 21, sheet 18 of 21, sheet 19 of 21, sheet 20 of 21, and sheet 21 of 21, revision 0, dated February 10, 2012.

- 2. The authorization granted in 1 above does not include any land other than Crown land.
- 3. With respect to any change in and about a stream conducted pursuant to 1 above, the permit holder must ensure that:
 - the stream crossing is constructed and maintained at all times and in a manner that will not harm fish, or destroy, damage or harmfully alter fish habitat;
 - the stream crossing does not prevent the movement of fish, nor impede the movement of fish to the extent that it is harmful to the survival of the fish;
 - the sides of the stream are protected at the stream crossing location; C.
 - any disturbance to the stream channel and stream bank is mitigated; and d.
 - the oil and gas activity does not result in any deleterious materials being deposited into the stream. e.

ADVISORY GUIDANCE

- 1. If the permit holder is not actively using the road, it may request the Commission's approval for limited maintenance.
- 2. Following a request made by the Commission, failure to provide notification of the flagging of a known archaeological site will result in intervention by the Commission, Compliance and Enforcement. Destruction of archaeological sites is considered a contravention of the Heritage Conservation Act and is subject to penalty.
- 3. The permit holder is advised that a Conservation Data Centre (CDC) rare species occurrence polygon (blue/red listed vascular plant/animal species) exists within the site. Polygon data can be viewed on the Terrestrial Information of BC website at: http://www.env.gov.bc.ca/cdc/access.html. Questions about the polygon information presented on this website can be directed to the Conservation Data Centre at 1-800-663-7867.

Tom Ouellette

Authorized Signatory

Commission Delegated Decision Maker

wellette

cc: Scott Land & Lease Co. Ltd.

OGC: 9706584

MoFLNRO, Kalum Forest District

OGC, First Nations (Carrier Sekani Tribal Council, Haisla Nation; Kitselas First Nation, Lax-KW'Alaams First Nation, Metlakatla Band Council, Skin Tyee Nation)

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