November 26, 2015

Prince Rupert Gas Transmission Ltd.
450 - 1st Street SW
Calgary, Alberta T2P 5H1

Attention: Prince Rupert Gas Transmission Ltd.

Re: Multi-Use Site (Laydown Yard) Permit for Secondary Oil and Gas Activities - Section 39 over Crown Land, Cassiar District within units 63 & 64, Block C, 93-M-12.

Date of Issuance: November 26, 2015
Commission File No: 9640960
Applicant File No: 130316 (Ancillary Site 135)

PERMISSIONS

The Oil and Gas Commission ("Commission") hereby authorizes the holder of permit number 9640960, under section 39 of the Land Act, to allow Prince Rupert Gas Transmission Ltd. (the "permit holder") to occupy Crown land within the areas described as Multi-Use Site in the attached sketch plan: FOCUS: 130383SK04R2, Revision 2, dated September 10, 2014 as submitted to the Commission in the permit application dated September 19, 2014 (hereinafter referenced together as the "Site"), to construct and operate a Multi-Use Site (Laydown Yard) under Authorization Number 945762, subject to the conditions set out below.

CONDITIONS

1. The permit holder may use and occupy the Site only for the purposes of constructing and operating a Multi-Use Site (Laydown Yard) for oil and gas activities and related activities as defined in the Oil and Gas Activities Act.

2. The total disturbance within the Site must not exceed:
   a. Laydown Yard: 11.18 ha.

3. A Section 39 License of Occupation for the Crown Land portion of this Laydown Yard is attached. The permit holder is subject to the conditions contained in the Licence of Occupation.

4. Within 60 days of the completion of the clearing phase, the permit holder must submit to the Commission a post-construction plan as an ePASS shape file accurately identifying the locations of the overall disturbance within the Site.

5. The permit holder must abide by and comply with all applicable laws, bylaws, orders, directions, ordinances, and regulations of any government authority having jurisdiction in any way affecting its use or occupation of the Site, including, without limitation, the provisions of the Land Act and the provisions of this Permit.
6. The permit holder must notify the Commission a minimum of 48 hours prior to the commencement of activities under this permit. Notification must be sent to OGC.ExternalNotifications@bcoqc.ca.

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 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; 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 and approved by the Commission.

8. The permit holder must notify the Kliiyem Lax Haa (Xsan Seegit) a minimum of 5 days prior to commencing any construction activities under this permit.

9. Prior to commencement of construction activities on the Multi-Use Site, the permit holder must consider relevant information made available by Kliiyem Lax Haa (Xsan Seegit) in the development of site specific mitigation plans. Relevant information includes culturally modified trees, cache pits, house pits, grave sites, pictograph sites, smoke houses, cabins, artifacts and areas traditionally used for camping, hunting, fishing and berry picking located within the Multi-Use Site area.

The permit holder must submit, at least 10 days prior to the commencement of construction, the information, along with site-specific mitigation plans for any of the specified items identified that may be impacted by construction activities, to the satisfaction of the Commission.

10. Prior to notice of construction start, the permit holder must survey for active bear dens within 200 metres of the boundary of the operating area. If any active bear dens are identified within 200 metres of the boundary of the operating area, the permit holder must not begin construction during the active denning period between December 1 and April 30.

11. The permit holder must ensure that wildlife movement is not obstructed during construction activities.

12. The permit holder must not undertake clearing activities between April 1 and July 31, unless pre-clearing surveys are completed and, where appropriate, mitigation is implemented as per the methods outlined in the Bird Nest Mitigation and Monitoring Plan (Appendix F-2 of the Construction Environmental Management Plan).

13. In all locations where run-off from the permitted area may flow into a watercourse, the permit holder must contour and stabilize banks and approach slopes and install berms, silt fences, cross ditches, or other alternative effective measures as appropriate to minimize erosion and avoid sediment deposit into the watercourse. The permit holder must take into account seasonal variability and increased potential for run-off during snow-melt in developing such measures.

14. Appropriate erosion and sediment control structures must be installed as necessary to ensure debris and soil are not deposited into watercourses except for works authorized under Section 9 of the Water Act.
15. No works are permitted within any watercourse unless the permit holder has received authorization under Section 9 of the Water Act.

16. At the completion of construction activities, the permit holder must restore any identifiable trails traditionally used by Kliiyem Lax Haa (Xsan Seegit) that were impacted by construction, to the level of access that existed prior to construction, if the location of the trail is made known to the permit holder by Kliiyem Lax Haa (Xsan Seegit) or the Commission prior to the permit holder's notice of construction start.

17. When using aircraft to undertake activities associated with the permit, the permit holder must provide written instructions to the pilot specifying that flights must not, except in the event of an emergency situation, directly approach, hover over, circle, or land near mountain goats, moose, elk, or caribou.

18. Within 2 years of when the permit area is no longer required for activities under the permit, the permit holder must establish trees on the area consistent with:

a) the standards for tree species selection, stocking density and inter-tree spacing that applied to the site immediately prior to approval of the permit, and
b) the Forest and Range Practices Act standards for seed selection and seed transfer specified in the Chief Forester's Standards for Seed Use in place at the time seed or seedlings are selected by the permit holder
or
c) alternative requirements identified by the permit holder and accepted by the Commission.

19. The permit holder will restore the site to the satisfaction of the Commission following expiration or cancellation of this Permit.

CUTTING PERMIT AUTHORIZATION

20. The Commission hereby issues the Permit holder Cutting Permit No. 20 under Master Licence to Cut number M02374, subject to the following conditions:

a. This Cutting Permit is subject to the terms and conditions in the Master Licence to Cut.

b. This Cutting Permit applies to only the Crown land portion shown on survey plan associated with this permit (sketch plan number, FOCUS: 130383SK04R2, revision 2, dated September 10, 2015).

c. All harvested Crown timber must be marked with Timber Mark Number MTA 988.

d. This Cutting Permit is deemed spent upon the submission of the "Post-Construction Plan" or upon either the cancellation or the expiry of the "permitted oil and gas activity".

e. This Cutting Permit does not grant the Permit Holder the exclusive right to harvest timber from the License area and the Commission reserves the right to grant rights to other persons to harvest timber from the License area.

f. The felling, bucking and utilization specifications as described in Appendix A of your Master License to Cut applies to this Cutting Permit.

g. Stumpage for this Cutting Permit will be calculated as per Table 6.7 in the Interior Appraisal Manual

- Where timber felled on the cutting authority area that will not be removed from the site, volume billed will be based on an approved alternate method of scale.
h. 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.

i. Where the Permit Holder is aware of overlapping forest tenure rights that have been granted to other persons, the Permit Holder is obligated to communicate to these persons the timing and extent of their harvest operations at least two weeks prior to commencement of harvest and take all reasonable steps to coordinate their activities with these persons.

j. 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".

2. This permit authorizes a maximum total new cut area within the Site of:
   
a. Laydown Yard: 11.18 ha.

ADVISORY GUIDANCE

1. If artifacts, features, materials or things protected under section 13(2) of the Heritage Conservation Act are identified by the permit holder and if the permit holder is required to cease work under condition 7(a), it is recommended the permit holder provide notice of this discovery to the Kliiyem Lax Haa (Xsan Seegit).

2. The Kliiyem Lax Haa (Xsan Seegit) requests that the permit holder provide an opportunity for a First Nation environmental monitor or representative to participate in permitted activities.

The attached plan(s) form an integral part of this authorization.

Johannes Bendle
Review Approval Resource Officer

pc: Roy Northern Land Service Ltd.
OGC File: 9640960
Kliiyem Lax Haa (Xsan Seegit)
DATUM: NAD83
PROJECTION: UTM ZONE 9
NOTES:
Project to be flagged at time of construction.
Distances shown are in metres and decimals thereof.
Proposed access approaches have not been swept for buried facilities.
This project is not within the Agricultural Land Reserve.
The nearest Residence is 7.54 km Northwest.
Stream Classifications were compiled by Stantec during environmental
field assessments.
The Stantec field verified wetlands and classifications data set (2014/08/08),
covers an assessment area 100m beyond the proposed features.

**LEGEND:**
- Proposed Area
- Road Cutblock
- Visual Land Inventory (VLI)
- Drainage Grazing
- Proposed Feature
- Right of Way
- Seismic Line/Trail
- Stantec Stream Classification-Non Visible Channel
- Stantec Stream Classification-Non Classified Drainage

**TABLE OF CROSSINGS**

**ACCESS LINE OF SIGHT DISTANCES**

<table>
<thead>
<tr>
<th>ACCESS POINT</th>
<th>DISTANCE</th>
<th>EXISTING APPROACH</th>
</tr>
</thead>
<tbody>
<tr>
<td>AP1</td>
<td>≤142m (N) / ≤294m (S)</td>
<td>No</td>
</tr>
<tr>
<td>AP2</td>
<td>≤303m (N) / ≤123m (S)</td>
<td>Yes</td>
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</tbody>
</table>

**AREA TABLE**

**PROPOSED FEATURES**

<table>
<thead>
<tr>
<th>Feature</th>
<th>NEW</th>
<th>EXISTING</th>
<th>CLEARING</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Multi-Use Site Within Crown Land</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Access Roads Within Crown Land</td>
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</tr>
</tbody>
</table>

**TOTAL AREAS**

12.81 ha

**LEGEND:**
- Proposed Access Road:
- 20 x 357m ACCESS ROAD (S1)
- 20 x 442m ACCESS ROAD (S2)
- 10m CORNER CUTOFFS
- Multi-Use Site 135

**FOCUS:**

<table>
<thead>
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<th>ePASS:</th>
<th>10048753</th>
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<tr>
<td>ePASS (ROAD):</td>
<td>10048091</td>
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</tbody>
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**TRANSCANADA GAS TRANSMISSION LTD.**

**PRINCE RUPERT GAS TRANSMISSION LTD.**

**SKETCH PLAN SHOWING PROPOSED MULTI-USE SITE 135 (11.18 ha),**
PROPOSED 20x357m ACCESS ROAD (S1) FROM a-63-C, 93-M-12 TO b-63-C, 93-M-12, AND PROPOSED 20x442m ACCESS ROAD (S2) FROM a-63-C, 93-M-12 TO b-63-C, 93-M-12, ALL WITHIN UNITS 53, 63 & 64, BLOCK C, 93-M-12.

**Unsurveyed Crown Land, Cassiar District**

The intended plot size of this plan is 432mm in width by 280mm in height when plotted at a scale of 1: 5000 (use B size sheet).