October 13, 2016

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

Attention: Keri-Lynn Bruce

RE: Commission File Number 9643599

Permit Holder: Prince Rupert Gas Transmission Ltd.
Date of Issuance: October 13, 2016
Effective Date: October 13, 2016
Application Submitted Date: November 27, 2015
Commission Number: 9643599
Approved Disturbance Footprint: 32.01 ha

GENERAL PERMISSIONS, AUTHORIZATIONS and CONDITIONS

Petroleum and Natural Gas Act

1. The BC Oil and Gas Commission (the “Commission”) pursuant to section 138 of the Petroleum and Natural Gas Act hereby authorizes the Permit Holder referenced above to construct and operate a related activity(s) as set out in the applicable Permitted Activities, Authorized Activities, and Activity Details tables below for the purposes of carrying out oil and gas activities as defined in the Oil and Gas Activities Act (OGAA); subject to the conditions set out herein.

2. Permitted Activities

| Associated Oil & Gas Activity No.: 9643599 | Type: Multi-Use Site 113C (Campsite) and Multi-Use Site 113D (Storage Site) |

AUTHORIZED ACTIVITIES

| Changes In and About a Stream : N. 6088195 E. 424157 | Location ID No.: 1 |

3. The permissions and authorizations granted under this permit are limited to the area described in construction plan WSP File: 130511SK04R1, revision 1, dated June 16, 2016 (the "construction plan") by WSP Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated November 27, 2015 (hereinafter referenced as the "operating area").

4. The Commission, pursuant to section 138(1) of the Petroleum and Natural Gas Act, hereby permits the occupation and use of any Crown land located within the activity area.
a) 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, cancelled, surrendered or declared spent.
b) The permission to occupy and use Crown land does not entitle the Permit Holder to exclusive possession of the activity area.
c) The total disturbance within the activity area must not exceed the total approved disturbance footprint as referenced above.

Forest Act
5. The Commission, pursuant to section 47.4 of the Forest Act, hereby authorizes the removal of Crown timber from the activity area under the cutting permits associated with the Master Licence(s) as follows:

Master Licence to Cut No.: M02371
Cutting Permit No.: 14
Timber Mark No.: MTB 687
Total New Cut: 0.88
Forest District: Fort St. James Natural Resource District
Region: Interior

6. The Cutting Permit(s) is deemed spent upon the submission of the post-construction plan or upon either the cancellation or expiry of the activities authorized by this permit.

Water Sustainability Act
7. The BC Oil and Gas Commission (the “Commission”), pursuant to section 11 of the Water Sustainability Act, authorizes the changes in and about a stream within the activity area, for construction and maintenance activities, unless otherwise restricted by this authorization:, at the locations as detailed in the Changes in and About a Stream Activity Details table, below.
   a) Instream works must be carried out in accordance with the methods and any mitigations, as specified in the application.

CONDITIONS
Notification
8. A notice of construction start must be submitted prior to the commencement of activities under this Permit 48 hours before or as per the relevant legislation if longer than 48 hours. Notification must submitted via Kermit for pipelines and facilities. For all other activity types Notification must be submitted through OGC.ExternalNotifications@bcogc.ca.

9. 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.

10. The permit holder is to notify Nak’azdli Band 5 (five) days prior to commencing activities for this application.
11. The permit holder is to notify Takla Lake First Nation 5 (five) days prior to commencing activities for this application.
12. The permit holder is to notify Yekooche First Nation 5 (five) days prior to commencing activities for this application.

General

13. 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.

14. The Permit Holder must not assign, sublicense or permit any person to use or occupy the land, other than its employees, contractors, or representatives, without the Commission’s written consent.

15. The Permit Holder must ensure that the activity area is maintained in a condition so as to minimize hazards, including but not limited to hazards associated with storage of materials and equipment.

16. The Permit Holder must ensure that the activity area is free of garbage, debris and unused equipment.

Environmental

17. The permit holder must make reasonable efforts to prevent establishment of invasive plants on the activity area resulting from the carrying out of activities authorized under this approval.

18. Following completion of the construction activities authorized under this authorization the permit holder must, as soon as practicable,
   a) decompact any soils compacted by the activity;
   b) 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
   c) 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
      i. promote the restoration of the wildlife habitat that existed on the operating area before the oil and gas activity was begun, and
      ii. stabilize the soil if it is highly susceptible to erosion.

19. 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

20. The Permit Holder is authorized to fell any trees located on Crown land within 1.5 tree lengths of the activity 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 activity area without causing damage to standing timber may be harvested.

21. The holder of the Cutting Permit must pay to the government, stumpage and any waste billing determined in accordance with the terms of this authorization.

22. The authorized Cutting Permit does not grant the Permit Holder the exclusive right to harvest Crown timber from the activity 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 site at the time they undertake harvesting activities.

23. All harvested Crown Timber must be marked with the Cutting Permit’s associated Timber Mark.
24. Stumpage for cutting Permits falling within the Interior Area, as defined in the Interior Appraisal Manual (Manual) will be calculated in accordance with the 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).

Archaeology

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.

CHANGES IN AND ABOUT A STREAM

Changes In and About a Stream N. 6088195 E. 424157
Location ID No.: 1

All permissions for this activity are subject to the following conditions:

Changes In and About a Stream conditions

26. Any substance, sediment, debris or material that could adversely impact the stream
   a) must not be allowed or permitted to enter or leach or seep into the stream from an activity, construction, worksite, machinery or from components used in the construction of any works, or
   b) must not be placed, used or stored within the stream channel.

ADVISORY GUIDANCE

1. Unless a condition or its context suggests otherwise, terms used in this approval have the same meaning as the Environmental Protection and Management Regulation under the Oil and Gas Activities Act.

2. 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.

All pages included in this Permit and any attached plan(s) form an integral part of this Permit.
Corey Scofield
Authorized Signatory
Commission Delegated Decision Maker

Copied to:
Land Agent – Roy Northern Land Service Ltd.
First Nations – CSTC, NAB, TLFN, YFN
Ministry of Forests District Office – Fort St. James Natural Resource District