



OGC File: 9639542

May 6, 2014

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

Attention: Surface Land Administrator

Re: Investigative Permit- Section 14 over Crown Land, Peace River District
within Unit 95 & 96, Block H, 93-O-16 & District Lot 1062 and 1063.

Date of Issuance: May 6, 2014
Commission File No: 9639542
Applicant File No: 130316- Johnson Creek

PERMISSIONS

The Oil and Gas Commission ("Commission") hereby authorizes the holder of permit number 9639542, under section 14 of the Land Act, to allow Prince Rupert Gas Transmission Ltd. (the "permit holder") to occupy Crown land within the areas described as borehole location and geophysical trail in the attached sketch plan Document No: FOCUS: 130402SK11R0, Revision 0, dated December 5, 2013 as submitted to the Commission in the permit application dated January 14, 2014 (hereinafter referenced together as the "Site"), to conduct appraisals, inspections, analyses, inventories, surveys or other investigations under Authorization Number 943362, subject to conditions set out below.

CONDITIONS

1. The permit holder may use and occupy the Site only for the purposes of investigating the site for potential oil and gas activities and related activities as defined in the Oil and Gas Activities Act.
2. The total disturbance within the investigative area must not exceed:
 - a. Borehole Location: 0.08 ha.
 - b. Geophysical Trails: 0.90 ha.
3. 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 within the Site, or happening by virtue of its occupation of the Site, and the amount of such losses, damages and costs shall be payable to the Province or the Commission immediately.
4. The permit holder will immediately effect, and keep in force while this Permit is in effect, 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.

5. The permit holder will restore the site to the satisfaction of the Commission following expiration or cancellation of this Permit.
6. The authorization to occupy and use Crown land does not entitle the permit holder to exclusive possession of the Site. The permit holder will not interfere with any person found on the Site who has a public right of access over the Site or is using the Site pursuant to a prior or subsequent Land Act disposition.
7. 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.
8. 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 the Sections (6) or (7) 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 (6) or (7) 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 (6) or (7).
9. The permit holder must pay to the Province, when due, the Fees to the address and in accordance with the instructions set out in the attached covering letter.
10. The permit holder must not assign or sub-tenure this Permit. The permit holder must not transfer this permit without the Commission's written consent, which consent may be granted or withheld at the Commission's sole discretion.
11. This permit expires two years from the date of issuance.
12. The permit holder must notify the Commission prior to commencing activities under this permit. Notification may be sent to C&E@bcogc.ca.
13. An Archaeological Impact Assessment (AIA) is required for the proposed development area prior to any development activities taking place.
14. If an archaeological site is recorded as a result of this assessment, a report must be submitted immediately to the Archaeology Branch of the Ministry of Forests, Lands and Natural Resource Operations (Archaeology Branch) and the Commission and all mitigation measures must be approved by the Archaeology Branch prior to the start of construction.
15. If no archaeological site is recorded during this assessment, an AIA report is still required and must be submitted to the Archaeology Branch and the Commission as soon as possible as per the Archaeology Process Guidelines.
16. If artifacts, 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 Archaeology Branch and 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 Archaeology Branch.
17. Within 60 days of the completion of the clearing phase of the activity authorized, 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.
18. 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.

CUTTING PERMIT AUTHORIZATION

Pursuant to section 47.4 of the Forest Act, the Commission hereby issues Cutting Permit No. 6, under Master License to Cut number M02370, Peace Forest District, to cut and remove timber from the areas of Crown land within the area within the Site subject to the following conditions:

1. This Cutting Permit expires 2 years from the date of issuance of the Investigative Permit or the revised date should this permit be extended.
2. This Cutting Permit is subject to the terms and conditions in the Master Licence to Cut.
3. All harvested Crown timber must be marked with Timber Mark Number MTA 486.
4. The felling, bucking and utilization specifications in the Master License to Cut apply to this Cutting Permit.
5. Stumpage required to be paid under this cutting permit will be calculated on the gross project area. The amount will be determined upon submission of final as-cleared plans to the Commission and in accordance with the Ministry of Forests Interior Appraisal Manual.
6. 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.
7. 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."
8. The utilization of merchantable timber is not mandatory for this permit.
9. Prior to harvesting, any clearing authorized by this Cutting Permit must be clearly defined on the ground by ribboning or blazing.
10. This permit authorizes a maximum total new cut area within the investigative area of:
 - a. Borehole Location: 0.08 ha.
 - b. Geophysical Trails: 0.90 ha.

ADDITIONAL CONDITIONS

1. In consideration of Saulteau First Nations, the Permit Holder must notify the Saulteau First Nations Land Use Office prior to project commencement.
2. In consideration of West Moberly First Nations, the Permit Holder must notify the West Moberly First Nations Lands Use Department prior to project commencement.
3. In consideration of the McLeod Lake Indian Band, the Permit Holder must notify the McLeod Lake Indian Band Land Use Office prior to project commencement.
4. In consideration of Halfway River First Nation, that the Permit Holder must contact the Halfway River First Nation land office prior to project commencement.
5. Topsoil stripping, ditching and road bed construction are not permitted within the site.

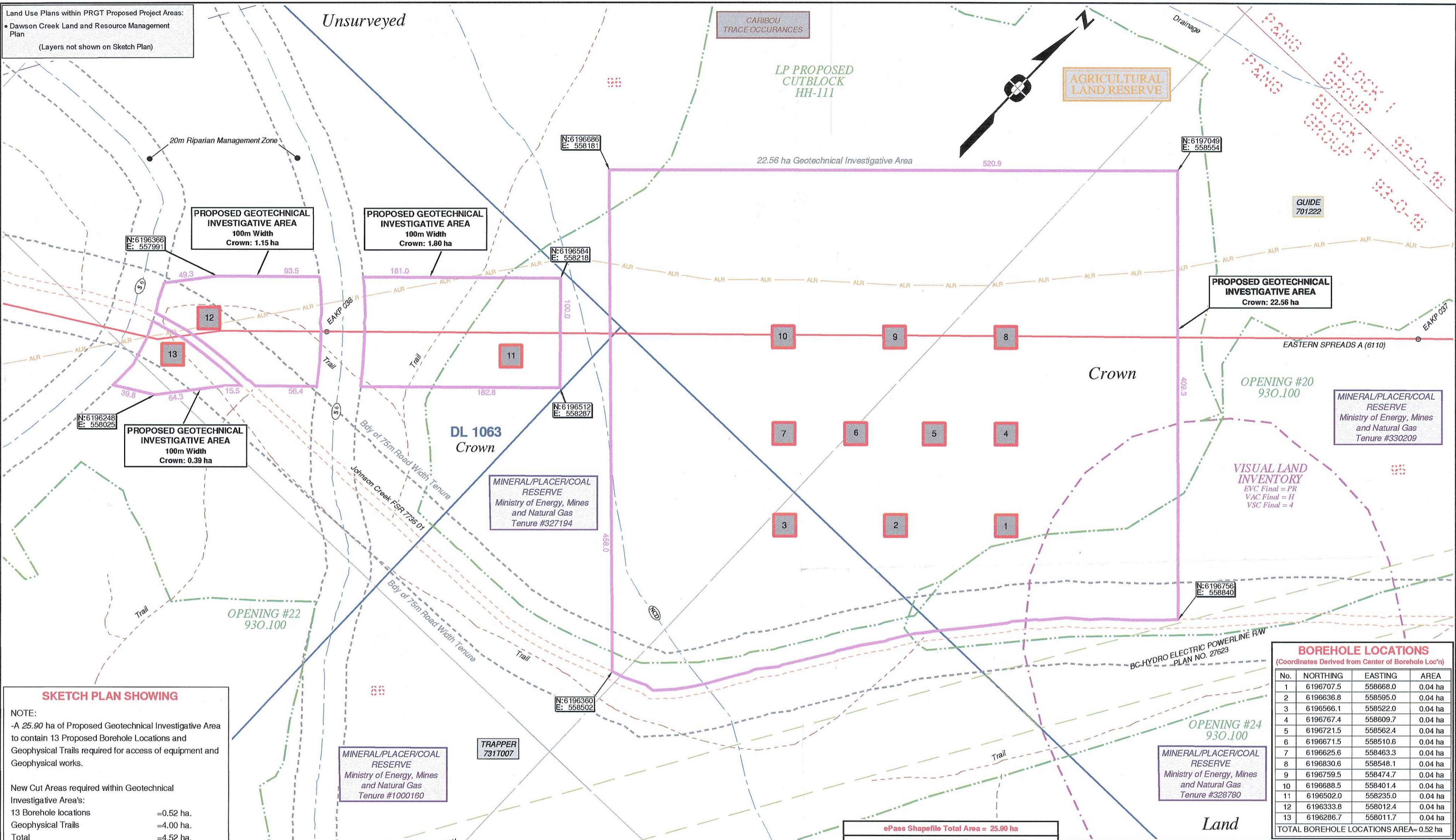
The attached plan(s) form an integral part of this authorization.



Justin Anderson
Natural Resource Officer

pc: West Moberly First Nations
pc: Halfway River First Nation
pc: McLeod Lake Indian Band
pc: Kelly Lake Cree Nation
pc: Kelly Lake First Nation
pc: Kelly Lake Metis Settlement Society
pc: Saulteau First Nation
pc: Roy Northern Land and Environmental

Land Use Plans within PRGT Proposed Project Areas:
 • Dawson Creek Land and Resource Management Plan
 (Layers not shown on Sketch Plan)

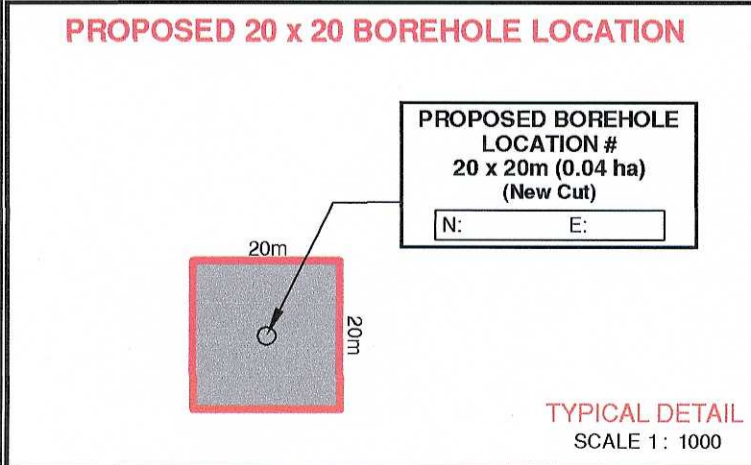


SKETCH PLAN SHOWING

NOTE:
 -A 25.90 ha of Proposed Geotechnical Investigative Area to contain 13 Proposed Borehole Locations and Geophysical Trails required for access of equipment and Geophysical works.

New Cut Areas required within Geotechnical Investigative Area's:
 13 Borehole locations =0.52 ha.
 Geophysical Trails =4.00 ha.
 Total =4.52 ha.

-A Post Construction Plan will be issued to show final locations and clearings.
 -Project to be flagged at time of construction.
 -Distances shown are in metres and decimals thereof
 -Approximately 5.81 ha of Geotechnical Investigative Area is located with the Agricultural Land Reserve



This plan represents the best information available at the time of survey. Focus Surveys and its employees take no responsibility for the location of any underground conduits, pipes, or other facilities whether shown on or omitted from this plan. All underground installations should be located by the respective authorities prior to construction.

Cutblock data is confirmed using information from the Government of BC websites for Forest MapView and iMapBC. Information from these sources can be subject to change without notice. Focus Surveys and its employees take no responsibility for accuracy or completeness of this information.

Caribou: Yes
Coal: None
Community Forest: None
Guide / Outfitter: Yes
Land Use Plan: Yes
Mineral Reserve: Yes
Quarry: None
Grazing Range Tenure: None
Reserve/Notation: No
Trapper: Yes
Tree Farm License: None
Ungulate Winter Range: None
Wildlife Habitat Area: None
Wildlife Tree Retention Area: None
Wood Lot: None

ePass Shapefile Total Area = 25.90 ha

PROPOSED FEATURE	NEW CUT	EXISTING CLEARING	TOTAL
Borehole Loc'n	0.52 ha	0.00 ha	0.52 ha
Geophysical Trails	4.00 ha	0.00 ha	4.00 ha
TOTAL AREAS	4.52 ha	0.00 ha	4.52 ha

Investigative Footprint Total Area = 4.52 ha

LEGEND:

PRGT Study Corridor Centerline: _____

Proposed Geotechnical Investigative Area: _____

Proposed Borehole Location: # _____

Existing Roadway: _____

Right of Way: _____

Drainage: _____

Cutblock: _____

Mineral License / Application: _____

Agricultural Land Reserve: ALR _____

Visual Land Inventory: _____

Road Width Tenure: _____

Stream Classifications: NCD DNP S#

Riparian: _____

Seismic line/trail: _____

BOREHOLE LOCATIONS
 (Coordinates Derived from Center of Borehole Loc'n)

No.	NORTHING	EASTING	AREA
1	6196707.5	558668.0	0.04 ha
2	6196636.8	558595.0	0.04 ha
3	6196566.1	558522.0	0.04 ha
4	6196767.4	558609.7	0.04 ha
5	6196721.5	558562.4	0.04 ha
6	6196671.5	558510.6	0.04 ha
7	6196625.6	558463.3	0.04 ha
8	6196830.6	558548.1	0.04 ha
9	6196759.5	558474.7	0.04 ha
10	6196688.5	558401.4	0.04 ha
11	6196502.0	558235.0	0.04 ha
12	6196333.8	558012.4	0.04 ha
13	6196296.7	558011.7	0.04 ha

TOTAL BOREHOLE LOCATIONS AREA= 0.52 ha

Prince Rupert Gas Transmission Project

PRINCE RUPERT GAS TRANSMISSION LTD.

SKETCH PLAN SHOWING PROPOSED GEOTECHNICAL INVESTIGATIVE PROGRAM (JOHNSON CREEK COMPRESSOR STATION) WITHIN UNITS 95 & 96, BLOCK H, 93-O-16 & DL 1062, DL 1063

Unsurveyed Crown Land/Crown Land, Peace River District

The intended plot size of this plan is 560mm in width by 432mm in height when plotted at a scale of 1: 2500 (use C size sheet)

BCGS: 0930.100

Rev	Revision Description	Date(Y/M/D)	By
0	Original Plan Prepared	2013/12/05	TW/JM

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FOCUS: 130402SK11R0
 ePASS: 10044935
 SHEET: 1 of 1

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