

February 19, 2016

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

Attention: Surface land Administrator

Re: Geotechnical Investigation Permit located at Unit 10, Block C, 103-P-10 and Unit 100, Block K, 103-P-7 and District Lots 4008, S1/2 4007, 4005 & 1789

Date of Issuance: February 19, 2016

Commission No.: 9639654

PERMISSIONS

- 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 construction plan, FOCUS: 130426SK07R2, REV. 2, dated September 16, 2014 completed by WSP Surveys (BC) Limited Partnership as submitted to the Commission in the permit amendment application dated August 14, 2015 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 (hereinafter referenced together as the "site"), subject to the conditions set out below.
- 2. The permit holder must comply with all conditions in the original permissions, subsequent amendments and any additional conditions as noted below.

This permit is amended by:

- 1. Replacing the s. 14 Land Act authorization with permissions under s.138 of the PNG Act.
- 2. Increase the area of disturbance by 0.06 ha from 5.17 ha to 5.23 ha. Increase the area of new cut by 0.06 ha from 5.17 ha to 5.23 ha.

CONDITIONS

- 1. The total disturbance within the site must not exceed 5.23 ha.
- The authorization to occupy and use Crown land does not entitle the permit holder to exclusive possession of the site.
- The rights granted by this authorization 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 Act or Wildlife Act, or any extension or renewal of the same.
- The permit holder must not assign, sublicense or transfer this permit or permit any person to use or
 occupy the land, other than its employees, contractors, or representatives, without the Commission's
 written consent.
- 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.

24 Hour: (250) 794-5200

Commission No.: 9639654 Date: February 19, 2016

- 6. The permit holder must ensure that the area is maintained in a condition so as to minimize hazards, including but not limited to hazards associated with storage of materials and equipment.
- 7. The permit holder must ensure that the area is free of garbage, debris and unused equipment.
- 8. Following completion of the activities authorized under this permit the permit holder must, as soon as practicable decompact any soils compacted by the activity.
- 9. If natural surface drainage pattern was altered by the carrying out of the activity, the permit holder must
 - a. restore, to the extent practicable, to the drainage pattern and its condition before the alteration; and
 - b. re-vegetate any exposed soil on the operating area using seed or vegetative propagules of an ecologically suitable species that
 - i. promote the restoration of the wildlife habitat that existed on the area before the oil and gas activity was begun; and
 - ii. stabilize the soil if it is highly susceptible to erosion.
- 10. Following completion of the activities authorized 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.
- 11. 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.
- 12. 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:
 - 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.

ADVISORY GUIDANCE

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.

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

Justin Anderson

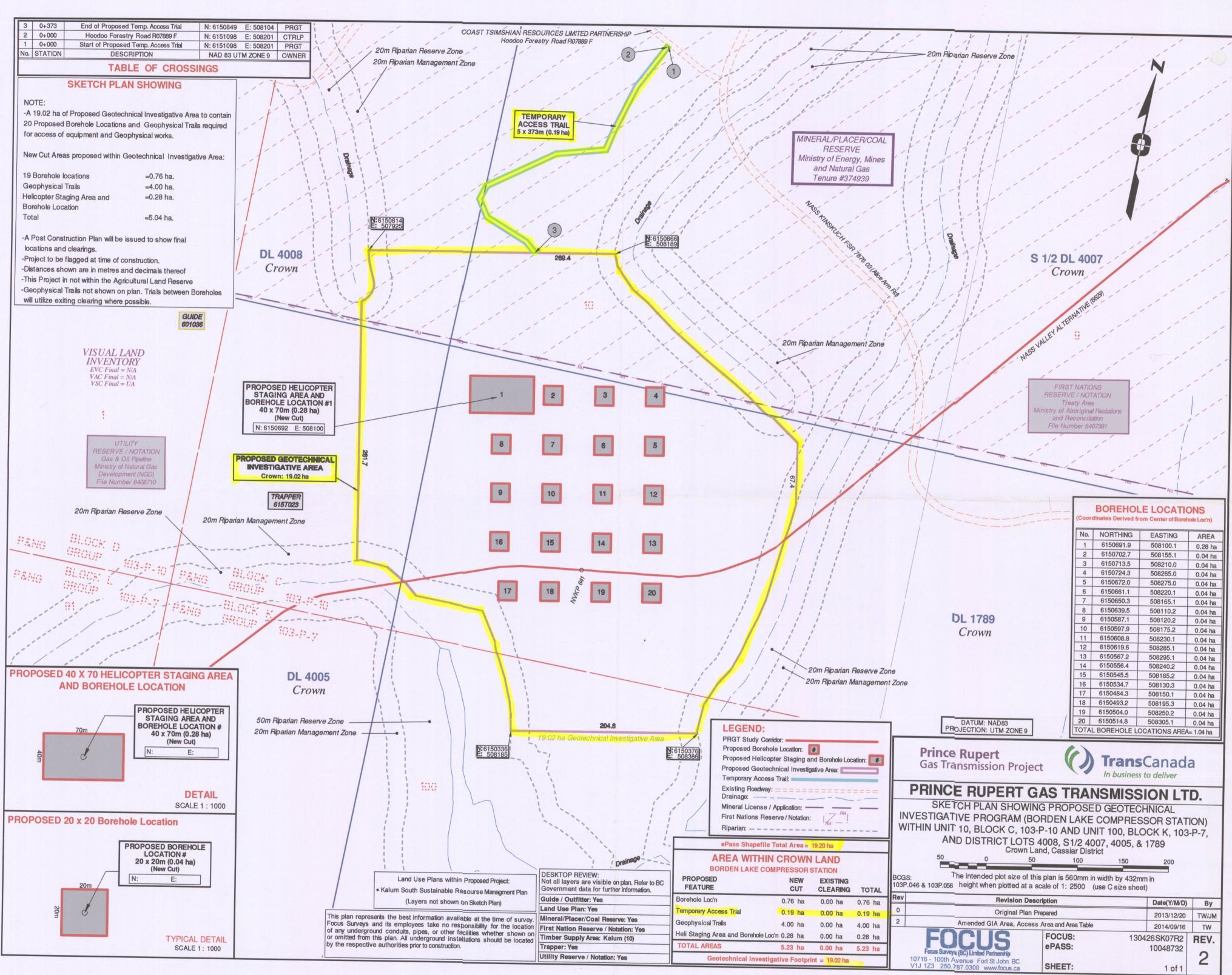
Natural Resource Officer

pc. Roy Northern Land Service Ltd.

OGC File: 9639654

MoFLNRO: Coast Mountain OGC First Nations: GHC, NGAA

24 Hour: (250) 794-5200





OGC File: 9639654

April 28, 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, Cassiar District within Unit 10, Block C, 103-P-10 and Unit 100, Block K, 103-P-7 and District Lots 4008, S1/2 4007, 4005 & 1789.

Date of Issuance: April 28, 2014 Commission File No: 9639654

Applicant File No: 130316(Borden Lake)

PERMISSIONS

The Oil and Gas Commission (``Commisson``) hereby authorizes the holder of permit number 9639654, 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, geophysical trail and heli staging area/borehole location in the attached sketch plan Document No: FOCUS: 130426SK07R1, Revision 1, dated January 15, 2014 as submitted to the Commission in the permit application dated January 29, 2014 (hereinafter referenced together as the "Site"), to conduct appraisals, inspections, analyses, inventories, surveys or other investigations under Authorization Number 943268, subject to conditions set out below.

CONDITIONS

- 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:

0.76 ha.

b. Heli Staging Area and Borehole Location:

0.28 ha.

c. Geophysical Trail:

4.00 ha.

- 3. The 5m access trail outside the investigative area is permitted for 0.13 ha of total disturbance.
- 4. 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.

- 5. 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.
- 6. The permit holder will restore the site to the satisfaction of the Commission following expiration or cancellation of this Permit.
- 7. 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.
- 8. 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.
- 9. 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).
- 10. 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.
- 11. 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.
- 12. This permit expires two years from the date of issuance.
- 13. The permit holder must notify the Commission prior to commencing activities under this permit. Notification may be sent to C&E@bcogc.ca.
- 14. An Archaeological Impact Assessment (AIA) is required for the proposed development area prior to any development activities taking place.
- 15. 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.
- 16. 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.

OGC File: 9639654 Date: April 28, 2014

- 17. 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 with the Heritage Conservation Act, endorsed by a qualified archaeologist, and approved by the Archaeology Branch.
- 18. 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.
- 19. 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. 5, under Master License to Cut number M02373, Kalum 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.
- All harvested Crown timber must be marked with Timber Mark Number MTA 456.
- 4. The felling, bucking and utilization specifications in the Master License to Cut apply to this Cutting Permit.
- 5. 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.
- 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:

0.76ha.

b. Heli Staging Area and Borehole Location:

0.28ha.

c. Geophysical Trail:

4.00 ha.

OGC File: 9639654 Date: April 28, 2014

11. New cut outside of the investigative area for the 5m access trail is permitted for 0.13ha.

ADDITIONAL CONDITIONS

- 1. The permit holder must notify the Gitanyow Hereditary Chiefs office prior to commencement of activities.
- 2. The permit holder must notify the Nisga'a Lisims Government prior to commencement of activities.
- 3. The permit holder must provide any archaeological reports to the Gitanyow Hereditary Chiefs.
- 4. Topsoil stripping, ditching and road bed construction are not permitted within the site.

ADVISORY GUIDANCE

1. Gitanyow Hereditary Chiefs request the opportunity to participate in any archaeological assessment work.

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

Justin Anderson

Natural Resource Officer

pc: Gitanyow Hereditary Chiefs pc: Nisga'a Lisims Government

pc: Roy Northern Land and Environmental

