



Commission File No: 9640066

June 10, 2015

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

Attention: Surface Land Administrator

Re: Investigative Permit- Section 14 over Crown Land, Cassiar District  
within Unit 100, Block B, & Unit 91, Block C, 93-M-06.

Date of Issuance: June 10, 2015  
Commission File No: 9640066  
Applicant File No: 130316 (Natlan Creek Crossing)

## PERMISSIONS

The Oil and Gas Commission ("Commission") hereby authorizes the holder of permit number 9640066, 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: 130514SK03R0, Revision 0, dated March 18, 2014 as submitted to the Commission in the permit application dated April 17, 2014 (hereinafter referenced together as the "Site"), to conduct appraisals, inspections, analyses, inventories, surveys or other investigations under Authorization Number 944180, 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 1.13 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 48 hours prior to commencing construction. Notification must be sent to [C&E@bcogc.ca](mailto:C&E@bcogc.ca).
13. 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 Commission.
14. 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.

15. 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

1. The Commission hereby issues the Permit holder Cutting Permit No. 15 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 (survey plan number, 130514SK03R0, revision 0, dated March 18, 2014).
  - c. All harvested Crown timber must be marked with Timber Mark Number MTA 674.
  - 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 of 1.13 ha within the investigative area.

### ADDITIONAL CONDITIONS

1. The permit holder must contact Luutkudziwus – Gordon Sebastian and/or representative prior to commencement of activities

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



Justin Anderson  
Natural Resource Officer

pc: Madii Lii Laxwiiyip  
pc: Roy Northern Land Service Ltd.

