

October 16, 2015

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

Attention: Prince Rupert Gas Transmission Ltd.

RE: Road Permit Road Location: From NTS: c-96-B/93-M-6 To NTS: b-96-B/93-M-6 From: UTM Zone 9 Northing 6133049 Easting 614276; To: UTM Zone 9 Northing 6132858 Easting 614138 Date of Issuance: October 16, 2015 Road No.: 03141 Road Name: Dennison Spur OGC File No: 9641681

PERMISSIONS

- 1. The BC Oil and Gas Commission ("the Commission"), under section 25 (1) of the Oil and Gas Activities Act hereby permits the holder to construct and maintain an oil and gas road, subject to the following conditions:
 - a. Subject to condition 2, the authorization granted under this Permit is limited to the area described in construction plan number Document No.: 146.0.0.3_OGC_CONST, Revision: 0, dated October 9, 2014.
 - b. Following initial construction of the road, future permission to construct is limited to required modifications within the operating area except as otherwise restricted by this permit.
- Pursuant to Section 138(1) of the Petroleum and Natural Gas Act, the Permit holder is authorized to enter, occupy and use any unoccupied Crown land located within the operating area to carry out the oil and gas activity authorized under this permit.
- 3. The authorization to occupy and use Crown land expires if this permit expires, or is suspended, cancelled, surrendered or declared spent.
- 4. The Permit holder will construct and install all bridges and culverts in accordance with section 6 of the Oil and Gas Road Regulation (OGRR). An exemption may be granted, if section 6 (1)(a) cannot be adhered to.
- 5. The permission to construct an oil and gas road is deemed spent upon the submission of the report describing the location of the constructed road (section 11 OGRR). Any future modifications to the oil and gas road will require an amendment. The permission to maintain the oil and gas road remains in good standing.
- 6. The road right of way width is restricted to a maximum of 35m.

CONDITIONS

- 1. The Permit holder must submit the post- construction plan, as per section 11 of the Oil and Gas Road Regulation, as an ePASS shape file and PDF plan accurately identifying the location of the total area actually disturbed under this permit.
- 2. The Permit holder will immediately effect, and keep in force while occupying the site, 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 person injury, death, property damage, or third party liability claims arising from any accident or occurrence on the site.
- 3. The authorization to occupy and use Crown land does not entitle the permit holder to exclusive possession of the area.

- 4. 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.
- 5. The permit holder must not assign, sublicence 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.
- 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. 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).
- 9. The permit holder must not undertake clearing or significant maintenance activities within 200 meters of any active grizzly bear or black bear den that was identified by the survey conducted in accordance with condition 10, between December 1 and April 30.
- 10. Prior to commencing clearing associated with this permit, the permit holder must conduct a survey identifying any bear dens located within 200 metres of the permitted activity.
- 11. Within 2 years of when the permit area is no longer required for activities under the permit, the permit holder must revegetate, using seed or vegetative propagules of an ecologically suitable species or implement other measures, to the satisfaction of the Commission, that promote the restoration of the wildlife habitat that existed on the area before the activity was begun.
- 12. The permit holder must ensure that wildlife movement is not obstructed during construction activities.
- 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. The permit holder must notify the Lake Babine Nation a minimum of five (5) working days prior to commencement of activities.
- 15. The permit holder must notify the Wilp Luutkudziiwus a minimum of 5 days prior to commencing any construction activities under this permit.
- 16. At the completion of road deactivation, the permit holder must restore any identifiable trails traditionally used by First Nations 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 a First Nation prior to the permit holder's construction start.

ADVISORY GUIDANCE

- 1. Appropriate Land Act 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 application for all subsequent Land Act tenures; no further applications for replacement tenure is required.
- 2. If artifacts, features, materials or things protected under section 13(2) of the Heritage Conservation Act or any other feature, place or material that may contain historical or archaeological value, Wilp Luutkudziiwus requests that the Permit holder notify Wilp Luutkudziiwus of this discovery.

3. The Wilp Luutkudziiwus requests that the permit holder provide an opportunity for a First Nation environmental monitor or representative to participate in permitted activities.

RELATED AUTHORIZATIONS ASSOCIATED WITH THE PERMIT

Cutting Permit under Master Licence to Cut under section 47.4 of the Forest Act

- 1. The Commission hereby issues the Permit holder Cutting Permit No. 29 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 (Construction plan Document No.: 146.0.0.3_OGC_CONST, Revision: 0, dated October 9, 2014)
 - c. All harvested Crown timber must be marked with Timber Mark Number MTB 248.
 - 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 Section 6.7 in the Interior Appraisal Manual
 - i. 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".
 - k. This permit authorizes a maximum new cut area of 0.66 ha within the site.

Justin Anderson Authorized Signatory Commission Delegated Decision Maker

pc. Roy Northern Land Service Ltd.
OGC File: 9641681
OGC First Nations (Lake Babine Nation, Madii Lii Laxwiiyip)
MFLNRO: Skeena

