



February 29, 2016

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

Attention: Surface Land Administrator

RE: Road Permit

Road Location: From NTS: b-72-H/ 93-K-14 To NTS: a-73-H/93-K-14

From: UTM Zone 10 Northing 6084920 Easting 370157; **To:** UTM Zone 10 Northing 6084713 Easting 369989

Date of Issuance: February 29, 2016

Road No.: 03411

Road Name: Boulder Road

OGC File No.: 9642892

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 permission 2, the authorization granted under this permit is limited to the area described in survey plan number; plan; JOB: 3111-22807, REVISION: 2, dated March 12, 2015 completed by McElhanney Geomatics Professional Land Surveying Ltd. as submitted to the Commission in the transition application dated August 14, 2015.
 - 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.
2. 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.

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 personal 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, 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.

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. 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.
9. The permit holder must notify the Carrier Sekani Tribal Council a minimum of five (5) days prior to commencement of activities.
10. The permit holder must notify Yekooche First Nation a minimum of five (5) days prior to commencement of activities.
11. The permit holder must notify Tl'azt'en Nation a minimum of five (5) days prior to commencement of activities.

ADVISORY GUIDANCE

1. Workspaces include any work space needed to carry out the oil and gas activity including shoo-fly, log deck, storage site, laydown areas, stockpile sites, helipads, campsites, or temporary workspace. Workspaces do not include sumps.

RELATED AUTHORIZATIONS ASSOCIATED WITH THE PERMIT

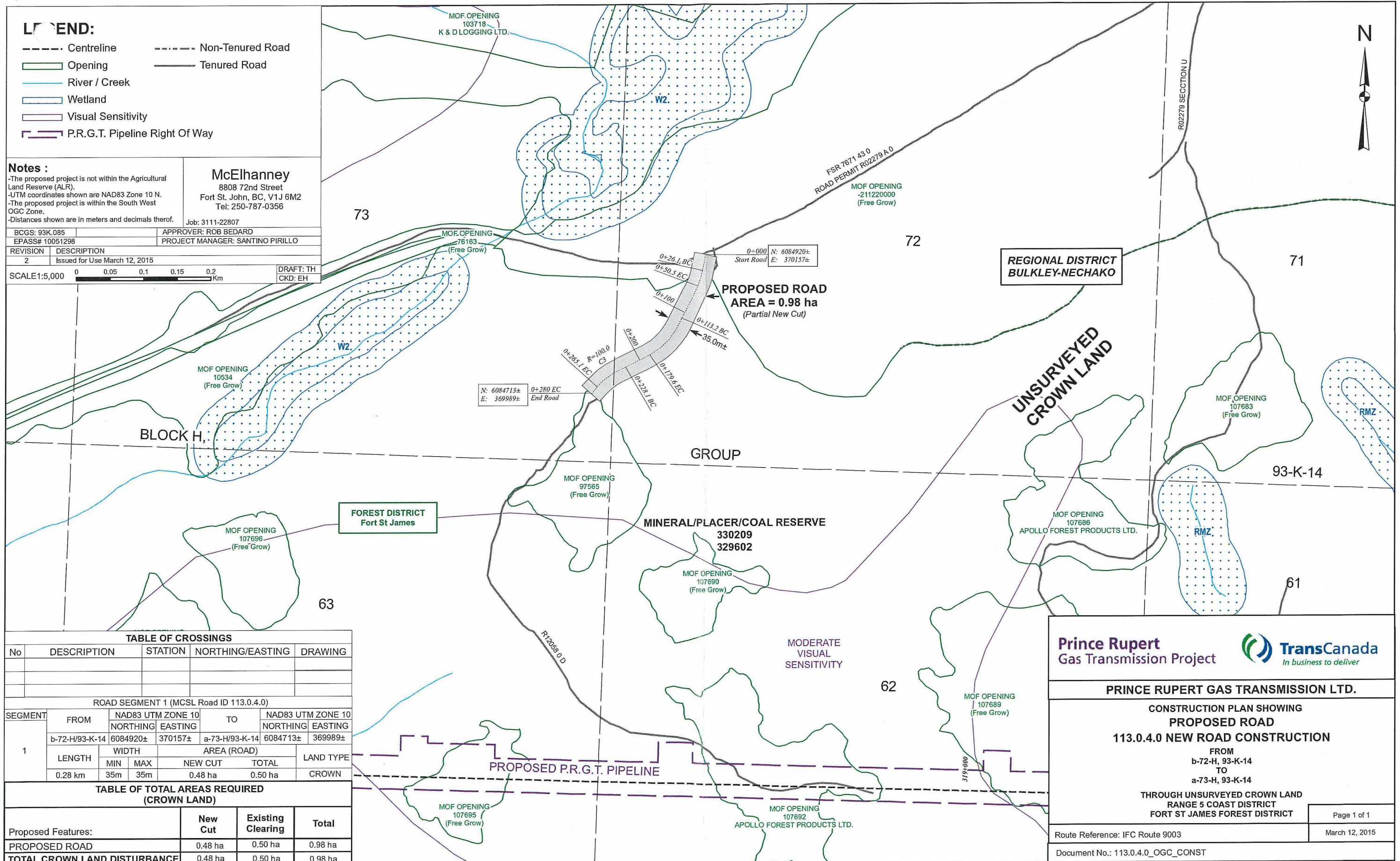
Cutting Permit under Master Licence to Cut under section 47.4 of the Forest Act

1. The Commission hereby issues the permit holder Cutting Permit No. 12 under Master Licence to Cut number M02371, 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, JOB: 3111-22807, REVISION: 2, dated March 12, 2015 completed by McElhanney Geomatics Professional Land Surveying Ltd.).
 - c. All harvested Crown timber must be marked with Timber Mark Number MTB 558.
 - 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.

A handwritten signature in black ink, appearing to read 'Justin Anderson', with a stylized, cursive script.

Justin Anderson
Authorized Signatory
Commission Delegated Decision Maker

pc. Roy Northern Land Service Ltd.
OGC File: 9642892
MoFLNRO: Fort St. James
OGC First Nations: CSTC, TLAZ, YFN



9642892