



OGC File: 9639443

August 15, 2014

Westcoast Connector Gas Transmission Ltd.
1100- 1055 West Georgia Street
Vancouver, British Columbia V6E 3R5

Attention: Surface Land Administrator

Re: Investigative Permit- Section 14 over Crown Land, Peace River District
within Units 20, 29, 30, 38, 39, 48, 58, Block J, 94-B-9.

Date of Issuance: August 15, 2014
Commission File No: 9639443
Applicant File No: Cameron River Boreholes

PERMISSIONS

The Oil and Gas Commission ("Commission") hereby authorizes the holder of permit number 9639443, under section 14 of the Land Act, to allow Westcoast Connector Gas Transmission Ltd. (the "permit holder") to occupy Crown land within the areas described as borehole pads, 5m access trail and 10m access trail in the attached sketch plan Document No: FOCUS: 010038362SK34R1, Revision 1, dated December 19, 2013 as submitted to the Commission in the permit application dated May 26, 2014 (hereinafter referenced together as the "Site"), to conduct appraisals, inspections, analyses, inventories, surveys or other investigations under Authorization Number 943124, 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 Pads: 0.16 ha.
 - b. 10m Access Trail: 1.22 ha.
 - c. 5m T Access Trail: 0.22 ha.
3. The total disturbance outside of the investigative area must not exceed:
 - a. 10m Access Trail: 1.45 ha.
 - b. 5m Access Trail: 0.94 ha.
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. A permitted archaeologist must monitor each sample point and if necessary conduct testing to ensure that archaeological resources are not impacted.

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.

An AIA report is required and must be submitted to the Commission as soon as possible as per the Archaeology Process Guidelines.

Archaeology sites HeRn-12 and HeRn-13 must be avoided by construction crews. The archaeology sites must be flagged in the field with No Work Zone ribbon prior to the development commencing.

15. 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.
16. 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 M02355, 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 437.
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 Pads: 0.16 ha.
- b. 10m Access Trail: 0.81 ha.
- c. 5m Access Trail: 0.00 ha.

11. No new cut is authorized outside of the investigative area.

CHANGES IN AND ABOUT A STREAM AUTHORIZATION

Pursuant to section 9 of the *Water Act*, the Commission hereby authorizes the permit holder to make changes in and about a stream subject to the following conditions:

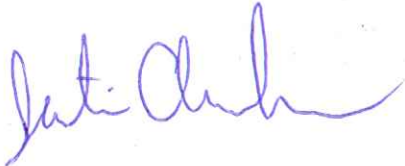
1. The approved temporary stream crossing locations on the Crown land are located at:
 - a. UTM Location N. 6283444 E. 546973, Zone 10
 - b. UTM Location N. 6283113 E. 546614, Zone 10
 - c. UTM Location N. 6284156 E. 547579, Zone 10
 - d. UTM Location N. 6285244 E. 547453, Zone 10
2. Any substance, sediment, debris or material that could adversely impact the stream:
 - a. must not be allowed or permitted to enter or leach or seep into the stream from an activity, construction, worksite, machinery or from components used in the construction of any works, or
 - b. must not be placed, used or stored within the stream channel.
3. Temporary material, fill, bridge, culvert, pump, conduit, ditch or other structure used to assist in the construction of any works must be constructed and maintained only during the period of construction, and must be removed upon completion of the works.
4. During the construction, maintenance or removal of a clear span bridge, the authorization holder must ensure that:
 - a. the equipment used for construction, including site preparation, maintenance or removal of the bridge, is situated in a dry stream channel or is operated from the top of the bank,
 - b. the bridge and its approaches do not produce a back water effect or increase the head in the stream,
 - c. the hydraulic capacity of the bridge is equivalent to the hydraulic capacity of the stream channel and the height under the bridge will provide free passage of flood debris, and
 - d. the bridge material meets the standards of the Canadian Standards Association, as applicable.
5. During the installation, maintenance or removal of a stream culvert for crossing a stream, the authorization holder must ensure that:
 - a. the equipment used for site preparation, construction, maintenance or removal of the culvert is situated in a dry stream channel or operated from the top of the bank,
 - b. in fish bearing waters, the culvert allows fish in the stream to pass up or down stream under all flow conditions,
 - c. the culvert inlet and outlet incorporate measures to protect the structure and the stream channel against erosion and scour,
 - d. if debris cannot safely pass, provision is made to prevent the entrance of debris into the culvert,
 - e. the installation, maintenance or removal does not destabilize the stream channel,

- f. the culvert and its approach roads do not produce a backwater effect or increase the head of the stream,
 - g. a culvert having an equivalent diameter of 2 metres or greater, or having a design capacity to pass a flow of more than 6 cubic metres a second, is designed by a professional engineer and is constructed in conformance with that design,
 - h. the stream channel, located outside the cleared width, is not altered,
 - i. embankment fill materials do not and will not encroach on culvert inlets and outlets,
 - j. the culvert material meets the standards of the Canadian Standards Association.
6. During the restoration of a change in and about a stream, the authorization holder must ensure that:
- a. any structures constructed to cross the stream are removed,
 - b. the channel is restored to its natural state, to the extent practicable,
 - c. the site of the crossing and associated approaches (including cut and fill slopes and ditch lines) are restored by:
 - i. stabilizing any waste materials removed from the site to above the high water mark to prevent them from entering the stream,
 - ii. re-vegetating disturbed areas associated with the crossing using seed or vegetative propagules of an ecologically suitable species,
 - iii. redistributing coarse wood debris in a manner that aids soil stabilization, and
 - iv. ensuring that surface drainage associated with approaches will not transport sediments into the stream.
7. Stream crossing methods must be selected and/or constructed in accordance with the Environmental Protection and Management Guidebook, including the Best Management Practices outlined therein.
8. Stream crossing activities must not prevent the movement of fish, nor impede the movement of fish to the extent that it is harmful to the survival of the fish.
9. This approval does not authorize any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat, as described within the Federal Fisheries Act of Canada, nor does this approval authorize any requirements under the Navigable Waters Protection Act.

ADDITIONAL CONDITIONS

- 1. The permit holder must contact Halfway River First Nations Lands Use Office prior to project commencement.
- 2. The permit holder must contact the Blueberry River First Nations Land Office at (250) 630-2819 prior to project commencement.
- 3. Topsoil stripping, ditching and road bed construction are not permitted within temporary access trails.

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



Justin Anderson
Natural Resource Officer

pc: Blueberry River First Nation
pc: Halfway River First Nation
pc: Lexterra Resources Ltd.