

Province of British Columbia

Water Act

CONDITIONAL WATER LICENCE

The holder of leases to which this licence is appurtenant is hereby authorized to divert, use and store water as follows:

- a) The source on which the rights are granted is North Tsea Lake and storage is in dugouts.
- b) The storage sites and point of diversion are located as shown on the attached plan.
- c) The date from which this licence shall have precedence is April 6, 2009.
- d) The purpose for which this licence is issued is industrial (oilfield injection) and storage (non-power).
- e) The maximum quantity of water which may be diverted for oilfield injection is 60,000 cubic meters per day to a maximum total of 2,500,000 cubic meters per year and the maximum quantity which may be held in stored is 2,500,000 cubic meters. Daily withdrawal limits will be as per the flow-weighted extraction method as outlined in the document named 'Water Development & Management Plan - Tsea River Watershed' dated March 2011 provided by Nexen Inc.

Withdrawals will cease when water discharges at Tsea River at North Tsea Lake fall below the zero withdrawal limit of 0.351 cubic meters per second.

- f) The period of the year during which water may be diverted into storage is April 1 to October 31, and the stored water may be used for oilfield injection the whole year.
- g) The land upon which the water is to be used and to which this licence is appurtenant is Oil & Gas activities within that parcel or tract of unsurveyed Crown land held under the Petroleum and Natural Gas Lease system, No. 60722, 60723, 60724, 60726, 62171, 62285, 62286, 62287, 62633, 62653, 62643, 62650, 62645, 62654, 62641, 62642, 62649, 62648, 62651, 62652, 63881, 63882, 63879, and 63880.
- h) The authorized works are screened intake, pump, pipe, flow meter device, and dugouts which shall be located approximately as shown on the attached plan.
- i) The construction of the said works has been completed and the water is being used. The licensee shall continue to make regular beneficial use of the water in a manner authorized herein.
- j) This licensee shall keep records on actual water use; this information shall be submitted by April 1 of each year as an annual report to the Regional Water Manager.
- k) This licence terminates on December 31, 2017. Prior to the termination date, the licensee may apply to the Comptroller of Water Rights or the Regional Water Manager in accordance with the provisions of the Water Act to amend this licence to extend its term.



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A handwritten signature in black ink, appearing to read "Robert M Piccini".

Robert M Piccini
Assistant Regional Water Manager