



# 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 stream on which the rights are granted is the Fort Nelson River and storage is in a reservoir.
- b) The point of diversion is located approximately as shown on the attached plan.
- c) The date from which this licence shall have precedence is October 25, 2010.
- d) The purposes for which this licence is issued are Industrial (oilfield injection) and Storage (non-power).
- e) The maximum quantity of water which may be diverted for oilfield injection under this licence is 10,000 cubic metres per day to a maximum total of 3,000,000 cubic meters per year and the maximum that may be held in storage is 1,000,000 cubic meters, subject to the following:  
Water diversion will cease when water discharge at the licensed point of diversion on the Fort Nelson River reaches 33.2 cubic metres per second (the "Zero Withdrawal Threshold"), which is equivalent to 18.5 cubic metres per second as measured at the Muskwa River gauge, or an equivalent flow measured at an alternate gauge acceptable to the Regional Water Manager.
- f) The period of the year during which water may be diverted into storage is the whole year and the stored water may be used for oilfield injection during the whole year.
- g) The land upon which the water is to be used and to which this licence is appurtenant is Petroleum Lease 63743, 63742, 64261, 64038, 64039, 64037.
- h) The authorized works are intake, pumphouse, pipe, dam, and reservoir which shall be located approximately as shown on the attached plan (the "authorized works").
- i) The construction of any works not yet completed shall be completed and the water shall be beneficially used prior to December 31, 2017. Thereafter, the licensee shall continue to make regular beneficial use of the water in the manner authorized herein.

- j) The dam authorized under clause (h) is subject to the British Columbia Dam Safety Regulation (the "Regulation") and shall be designed, constructed and maintained to the satisfaction of a Dam Safety Officer under the Water Act (the "Act") and in accordance with applicable requirements of the Act, the Regulation, and the Canadian Dam Association, Dam Safety Guidelines.
- k) An Operation, Maintenance and Surveillance Manual and Emergency Preparedness Plan must be submitted to the Dam Safety Officer on or before the end of the first year of operation following the date this licence is issued.
- l) The licensee's diversion of water from Fort Nelson River and operation of authorized works under this licence will be in accordance with its Water Development Plan (WDP), including any revisions accepted by the Regional Water Manager, and, without limiting the licensee's obligations under the WDP, the following commitments and requirements from the WDP will apply:
- A qualified professional must be retained as an environmental monitor to oversee construction of authorized works in accordance with the Construction Environmental Management Plan, as described in Appendix XI of the WDP;
  - The licensed diversion and use must be conducted in accordance with the WDP, including the installation of a water level sensor, the development of rating curves for the intake location, and monitoring of water flow to ensure diversions are conducted in accordance with the Zero Withdrawal Threshold, as described in clause (e) of this Water Licence;
  - Construction and operations must be carried out consistently with other ecological parameters and commitments described in the WDP for minimizing impacts, including for noise abatement, visual quality, water quality, fish, wildlife and related habitat mitigation, and site protection.
- m) The licensee shall install, maintain and operate a hydrometric gauge on the Fort Nelson River and provide water level, flow measurement, and meter reading reports for that gauge, in a form, frequency, and published in a manner acceptable to the Regional Water Manager.
- n) The licensee must maintain accurate records of all water withdrawal activities throughout the term of this licence. Water withdrawal records for the point of diversion, including "0" values where no water was withdrawn, must be recorded daily and provided, in an approved format, to the Regional Water Manager on a quarterly basis. Quarterly reports are due on or before April 25th, July 25th, October 25th, and January 25th.

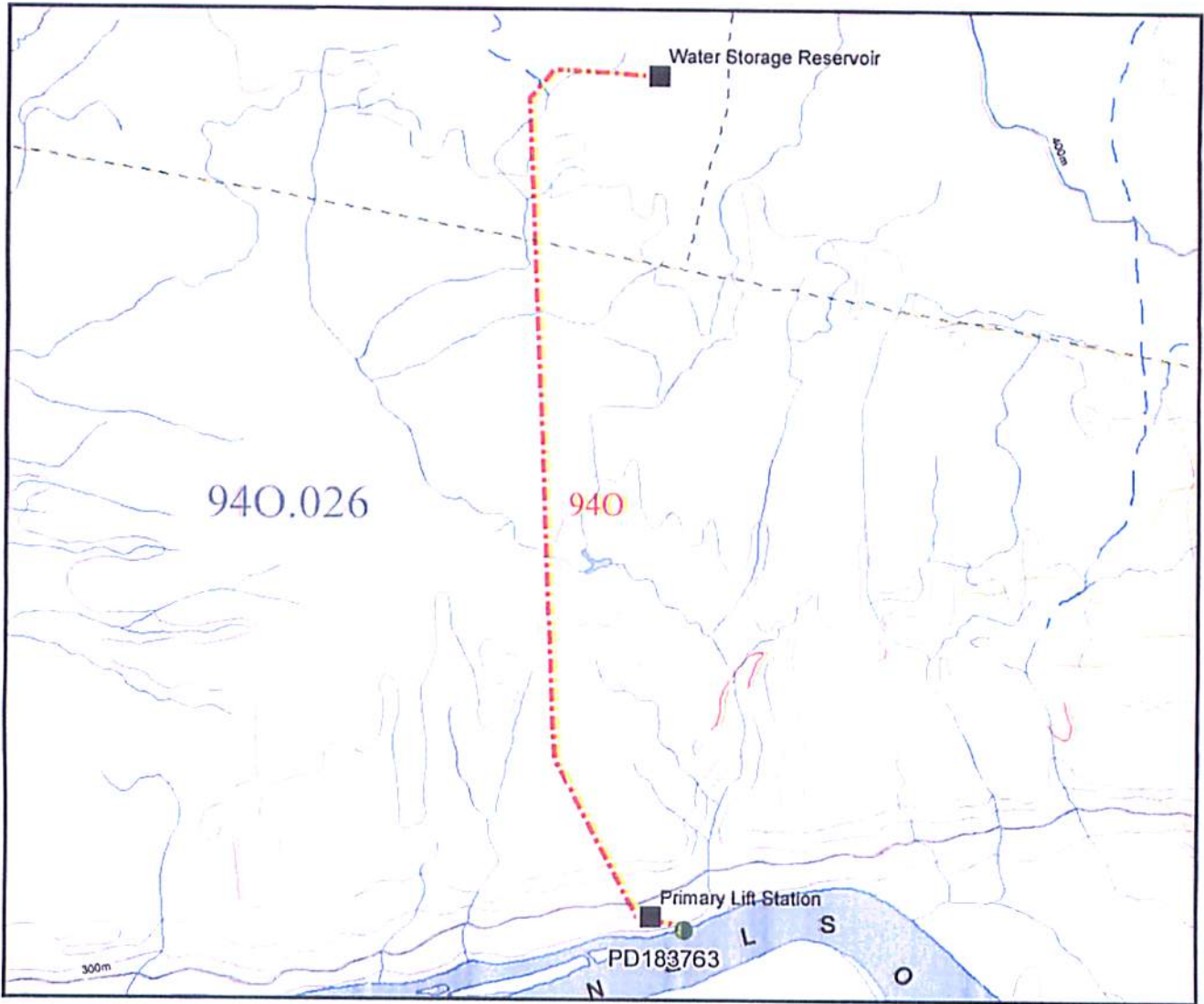
- o) The licensee will submit to the Regional Water Manager for approval a plan for the decommissioning of the authorized works prior to the abandonment or termination of this licence.
- p) This licence is issued under the Act. The exercise of rights under the licence is subject to the Act and its regulations, the terms and conditions of the licence, orders under the Act and the rights of licensees whose rights have precedence on the stream. The licensee must comply with all such requirements, as well as the provisions of all other applicable enactments. In exercising rights under the licence, the licensee must exercise reasonable care to avoid damaging land, works, trees or other property, and must make full compensation to the owners for damage or loss resulting from construction, maintenance, use, operation or failure of the works.
- q) This licence terminates on December 31, 2024. 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 Act to amend this licence to extend its term.



Rob Kopecky  
Regional Water Manager



BRITISH COLUMBIA



WATER DISTRICT: Liard  
 PRECINCT: Liard  
 LAND DISTRICT: Peace River

Signature: *Robert K... [Handwritten Signature]*

LEGEND:  
 Scale: 1:30,000  
 Point of Diversion: ● PD183763  
 Map Number: 940.026  
 Pipe: - - - - -

Date: *March 27, 2014*

C.L. C129170  
 File: 7002118

The boundaries of the land to which this licence is appurtenant are shown thus: