



Province of British Columbia

Water Sustainability Act

CONDITIONAL WATER LICENCE

- a) The stream on which the rights are granted is the Beaton River and storage is in dugouts.
- b) The two authorized points of diversion are Intake B (UTM 6324129N, 552268E, Zone 10) and Intake C (UTM 6325006N, 562013E, Zone 10), located as shown on the attached plan.
- c) The date from which this licence shall have precedence is April 2, 2015.
- d) The purposes for which this licence is issued are Oil & Gas (hydraulic fracturing and drilling) and Storage (non-power).
- e) The maximum quantity of water which may be diverted for an Oil & Gas Purpose is 780,000 cubic metres per year, to not exceed a cumulative rate of 0.1655 cubic metres per second at the locations of diversion, and to not exceed a rate corresponding to 5.0 percent of the discharge at the location of the Tommy Lakes Road hydrometric monitoring station, located at UTM 6345177N, 569251E (Zone 10). The maximum quantity of water that can be held in storage is 780,000 cubic metres.
- f) The period of the year during which water may be diverted into storage is April 15 to October 31, and the stored water may be used for Oil & Gas purposes for the whole year.
- g) The undertaking upon which the water is to be used and to which this licence is appurtenant are oil and gas activities associated with various Petroleum and Natural Gas leases held by the licence holder under the Petroleum and Natural Gas Lease System for the Aitken Creek, Aitken Creek North, Beg, Beg West, Blueberry, Bubbles, Bubbles North, Jedney, Jedney West, Julianne Creek North, Laprise Creek, Laprise Creek West, Nig Creek North, Nig Creek West, Northern Montney, Sojer and Tommy Lakes fields, all within the North Montney Regional Field, in the Peace River District.
- h) The authorized permanent works are Screened Intake, Pumphouse and Pipe, which shall be located approximately as shown on the attached plan.
- i) The construction of the said works shall be completed and the water shall be beneficially used prior to August 31, 2017. Thereafter, the licensee shall continue to make regular beneficial use of the water in the manner authorized herein. Existing temporary works in

place and authorized through a water use approval are Screened Intake, Pump and Hose. Until such time as the permanent works are completed, the licensee is authorized to use the existing temporary works.

- j) The construction and/or reconstruction of the permanent works authorized in clause (h) shall not commence until plans prepared by a professional engineer (P.Eng.) registered in British Columbia have been submitted and written leave to commence construction has been granted by the Water Manager under the Water Sustainability Act.
- k) The licensee must:
 - (1) Prepare a hydrometric monitoring program (the program) suitable to determining real-time water level and discharge of the Beaton River at the location referred to as “Tommy Lakes Road” for the open water season of approximately April 15 to October 31. The program will be consistent with the Manual of British Columbia Hydrometric Standards;
 - (2) Implement the program to the satisfaction of the Water Manager before the commencement of diversion and use of water, as authorized by this licence;
 - (3) Continue the program for the duration of time this water licence is in effect, or to the satisfaction of the Water Manager;
 - (4) Report all water level and calculated discharge data in “real time” to the Water Manager;
 - (5) Report corrected, verified and finalized discharge data along with all stage discharge measurements on an annual basis, on or before December 31 of each year. The requirement for reporting can be amended from time to time, as directed by the Water Manager; and
 - (6) Conduct manual discharge measurements at the location of the Tommy Lakes Road hydrometric station on a weekly basis for any period of time that water is being withdrawn under this licence and the Tommy Lakes Road hydrometric station is not operating and/or reporting in real-time, and report those manual discharge measurements to the Water Manager within 48 hours of measurement.
- l) The licensee must:
 - (1) Prepare a monitoring program (the program) suitable to determining any impacts to water quality of the Beaton River or its tributaries as a result of the diversion and use of water under this licence;
 - (2) Implement the program to the satisfaction of the Water Manager following the commencement of diversion and use of water, as authorized by this licence;
 - (3) Continue the program for the duration of time this water licence is in effect, or to the satisfaction of the Water Manager; and
 - (4) Report all data collected for the environmental monitoring program to the Water Manager on an annual basis, on or before December 31 of each year. The requirement for reporting can be amended from time to time, as directed by the Water Manager.
- m) This licence does not authorize the diversion of water when the water flow of the Beaton River at the Tommy Lakes Road hydrometric monitoring station falls below the discharge required for the preservation of fish or for maintaining the health of aquatic ecosystems, specified as follows:

- April 15-30: 0.74 cubic metres per second;
 - May 1-31: 3.97 cubic metres per second;
 - June 1-30: 2.19 cubic metres per second;
 - July 1-31: 1.33 cubic metres per second;
 - August 1-31: 0.33 cubic metres per second;
 - September 1-30: 0.33 cubic metres per second;
 - October 1-31: 0.33 cubic metres per second.
- n) The licence holder shall keep records on daily water withdrawals in units of cubic metres. This information will be submitted to the Water Manager on a quarter-annual basis, on or before January 25, April 25, July 25 and October 25, for the preceding three month period. The requirement for water use reporting can be amended from time to time, as directed by the Water Manager.
- o) This licence terminates on December 31, 2021. Prior to the termination date, the licensee may apply to the Comptroller of Water Rights or the Water Manager in accordance with the provisions of the Water Sustainability Act to amend this licence to extend its term.
- p) This licence is issued under the Water Sustainability Act (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 or on an aquifer. 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.



Regional Water Manager