

Manitoba



Conservation and Water Stewardship

Climate Change and Environmental Protection Division  
Environmental Approvals Branch  
123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5  
T 204 945-8321 F 204 945-5229  
www.gov.mb.ca/conservation/eal

CLIENT FILE NO.: 5544.00

September 20, 2012

Chris Anderson, P.Eng  
Production Engineer  
EOG Resources Canada Inc.  
1300,700-9<sup>th</sup> Avenue SW  
Calgary AB T3G 4Y5

Dear Mr. Marshall:

Enclosed is **Environment Act Licence No. 3018** dated September 20, 2012 issued to **EOG Resources Canada Inc.** for the construction and operation of the Development being approximately 32 km of 168.3 mm diameter sweet natural gas pipeline, 219.1 mm diameter oil pipeline, and 114.3 mm diameter sour gas pipeline in one right-of-way beginning at SW 1-2-28 W1M and terminating at the existing oil battery in NE 21-1-25 W1M, in accordance with the Proposal filed under *The Environment Act* dated May 16, 2011, additional information dated July 16, 2012.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Tim Prawdzik, Environment Officer at 204-622-2123.

Pursuant to Section 27 of *The Environment Act*, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

A handwritten signature in cursive script that reads "Tracey Braun".

Tracey Braun, M.Sc.  
Director  
Environment Act

c: Don Labossiere, Director, Environmental Compliance and Enforcement  
Tim Prawdzik, Environment Officer, Western Region (via email)  
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 3018 (by the Licensee only) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by October 3, 2012.

On behalf of EOG Resources Canada Inc.

Date

**\*\*A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES\*\***



# LICENCE

Licence No. / Licence n°

3018

Issue Date / Date de délivrance

September 20, 2012

In accordance with The Environment Act (C.C.S.M. c. E125) /  
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 11(1) / Conformément au Paragraphe 11(1)

THIS LICENCE IS ISSUED TO: / CETTE LICENCE EST DONNÉE À:

**EOG RESOURCES CANADA INC.:**  
**"the Licencee"**

for the construction and operation of the Development being approximately 32 km of 168.3 mm diameter sweet natural gas pipeline, 219.1 mm diameter oil pipeline, and 114.3 mm diameter sour gas pipeline in one right-of-way beginning at SW 1-2-28 W1M and terminating at the existing oil battery in NE 21-1-25 W1M, in accordance with the Proposal filed under *The Environment Act* dated May 16, 2011, additional information dated July 16, 2012, and subject to the following specifications, limits, terms and conditions:

### **DEFINITIONS**

In this Licence:

“**accredited laboratory**” means an analytical facility accredited by the Standard Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation and Water Stewardship to be equivalent to the SCC, or be able to demonstrate, upon request, that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the international standard ISO/IEC 17025, or otherwise approved by the Director;

“**Director**” means an employee so designated pursuant to *The Environment Act*;

“**Environment Officer**” means an employee so designated pursuant to *The Environment Act*;

“**native habitat**” means grasses, wildflowers, shrubs, trees, and other vegetation that occur naturally and support fauna indigenous to the area;

“**record drawings**” means engineering drawings complete with all dimensions which indicate all features of the pipeline as it has actually been built; and

**\*\*A COPY OF THIS LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES\*\***

**“Standard Methods for the Examination of Water and Wastewater”** means the most recent edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Public Health Association, the American Waterworks Association and the Water Environment Federation;

**“waterbody”** means any body of flowing or standing water, whether naturally or artificially created, and whether the flow or presence of water is continuous, intermittent or occurs only during a flood, including but not limited to a lake, river, creek, stream, slough, marsh, swamp and wetland, including ice on any of them.

### GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall, in addition to any of the following specifications, limits, terms and conditions specified in this Licence, upon the request of the Director:
  - a) sample, monitor, analyse or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified;
  - b) determine the environmental impact associated with the release of any pollutants from the Development; and
  - c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.
2. The Licencee shall, unless otherwise specified in this Licence:
  - a) carry out all preservations and analyses on liquid samples in accordance with the methods prescribed in the most current edition of Standard Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director;
  - b) carry out all sampling of, and preservation and analyses on, soil and air samples in accordance with methodologies approved by the Director;
  - c) have all analytical determinations undertaken by an accredited laboratory; and
  - d) report the results to the Director within 60 days of the samples being taken.
3. The Licencee shall submit all information required to be provided to the Director under this Licence, in writing, in such form (including number of copies) and of such content as may



be required by the Director, and each submission shall be clearly labeled with the Licence Number and Client File Number associated with this Licence.

4. The Licensee shall, in the event of a release, spill, leak, or discharge of a pollutant or contaminant in an amount or concentration, or at a level or rate of release, that exceeds the limit that is expressly provided under this Act, another Act of the Legislature, or an Act of Parliament, or in a regulation, licence, permit, order, instruction, directive or other approval or authorization issued or made under one of those Acts, immediately report the release, spill, leak, or discharge by calling 204-944-4888. The report shall indicate the nature of the release, leak, or discharge, the time and estimated duration of the event and the reason for the release, spill, leak, or discharge.

### **SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS**

#### **Respecting Pre-Construction**

5. The Licencee shall, prior to construction, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development.
6. The Licencee shall, not less than two weeks prior to beginning construction of the Development, provide notification to the Environment Officer responsible for the administration of this Licence of the intended starting date of construction and the name of the contractor responsible for the construction.
7. The Licencee shall notify the Water Stewardship Division prior to the commencement of the construction of watercourse crossings.

#### **Respecting Construction and Maintenance**

8. The Licencee shall ensure, on a daily basis throughout construction and restoration of the Development, that an environmental inspector monitor the work activity to ensure that all the environmental practices outlined in the Proposal are carried out.
9. The Licencee shall establish any fuel storage areas required for the construction and maintenance of the Development:
  - a) a minimum distance of 100 metres from any waterbody; and
  - b) in compliance with the requirements of *Manitoba Regulation 188/2001*, or any future amendment thereof, respecting *Storage and Handling of Petroleum Products and Allied Products*.
10. The Licencee shall, during construction of the Development, operate, maintain, and store all materials and equipment in a manner that prevents any deleterious substances (fuel, oil, grease, hydraulic fluids, coolant, etc.) from entering any waterbodies, and have an emergency spill kit for in-water use available on site during construction.

11. The Licencee shall dispose of non-reusable construction debris and solid waste from the construction and maintenance of the Development at a waste disposal ground operating under the authority of a permit issued under *Manitoba Regulation 150/91*, or any future amendment thereof, respecting *Waste Disposal Grounds* or a licence issued pursuant to *The Environment Act*.
12. The Licencee shall, during construction, dispose of all sewage and septage from on-site sanitary facilities in accordance with *Manitoba Regulation 83/2003*, or any future amendment thereof, respecting *Onsite Wastewater Management Systems*.
13. The Licencee shall construct and operate the Development in accordance with appropriate standards of the Canadian Standards Association.
14. The Licencee shall maintain a valid construction permit during construction of the Development and a valid operational permit during operation of the Development, issued by the Minister of Manitoba Innovation, Energy and Mines.
15. The Licencee shall, prior to construction start-up, instruct the on-site project construction supervisor to ensure that only land required for the right-of-way of the Development, including designated and landowner approved access locations to the right-of-way, will be affected by clearing, compacting, grading or filling during construction. All construction related traffic shall be restricted to the right-of-way and approved access locations.
16. The Licencee shall, during construction, maintenance, and restoration of the Development, implement all necessary measures to prevent the erosion of soil into any waterbodies.
17. The Licencee shall construct waterway crossings on waterways by augering, tunneling, or boring and in accordance with the Department of Fisheries and Oceans Canada Operational Statement on Directional Drilling.
18. The Licencee shall, during construction and maintenance of the Development, adhere to the general recommendations on design, construction, and maintenance of stream crossings as specified in the Manitoba Department of Natural Resources guidelines titled *Manitoba Stream Crossing Guidelines for the Protection of Fish and Fish Habitat, May 1996*, and the current versions of applicable federal Department of Fisheries and Oceans Operational Statements.
19. The Licencee shall contact the Water Stewardship Division to obtain criteria for the withdrawal of water for hydrostatic testing and for the discharge of hydrostatic test water. Hydrostatic test water shall be withdrawn and discharged according to these criteria.
20. The Licencee shall, during construction and maintenance of the Development, not alter surface drainage patterns on adjacent properties.

21. The Licencee shall, during construction and maintenance of the Development, separate and replace topsoil and subsoil from backhoe and trenching operations in accordance with the methodology described in the Proposal.
22. The Licencee shall, during construction and maintenance of the Development, compact all excavated areas and re-establish the pre-existing profile. Follow-up grading shall be conducted in areas affected by settling after construction.
23. The Licencee shall, during construction and maintenance of the Development, minimize disturbance to, and prevent the introduction of foreign biota in, native habitats.
24. The Licencee shall not undertake construction of the Development in native habitats between April 1 and August 31 in any year.
25. The Licencee shall, where native prairie habitat existed prior to construction or maintenance of the Development, retain a native prairie re-vegetation specialist to plan and oversee reclamation of these areas. Re-vegetation monitoring shall be conducted by the native prairie re-vegetation specialist for a minimum of three complete growing seasons. Follow-up monitoring, seeding, maintenance, and/or weed control shall be conducted until disturbed areas are re-vegetated to the satisfaction of Manitoba Conservation and Water Stewardship. Re-vegetation shall:
  - a) where conditions are ideal regarding topography, slope, moisture, time of year, and the condition of nearby prairie, allow for natural re-vegetation; or
  - b) where conditions are not ideal for natural recovery, re-vegetate areas exposed during the construction with native seed mixes approved by the Wildlife Branch.

#### **Respecting Post-Construction**


26. The Licencee shall, in accordance with Clause 25 of this Licence, file a copy of a post-construction monitoring report with the Director, prior to January 31st of each year following construction of the Development, until the Director deems the reclamation is satisfactory. The report shall outline the results of the reclamation of native plant species along the right-of-way.
27. The Licencee shall monitor the reclamation of watercourse crossings annually. A post-construction monitoring report shall be filed with the Director, prior to January 31st of each year following construction of the Development, until the Director deems the restoration is satisfactory.
28. The Licencee shall:
  - a) prepare "record drawings" for the Development and shall label the drawings "record drawings"; and
  - b) provide to the Director, within six months of the completion of construction of the Development, two sets of "record drawings" of the Development.

**Respecting Alterations to the Development**

29. The Licencee shall obtain approval from the Director for any proposed alteration to the Development before proceeding with the alteration.

**REVIEW AND REVOCATION**

- A. If, in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- B. If construction of the development has not commenced within three years of the date of this Licence, the Licence is revoked.
- C. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 11 of *The Environment Act*.

  
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Tracey Braun  
Director  
Environment Act

File No. 5544.00