



**MINISTER OF
MINERAL RESOURCES**

Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

THE OIL AND GAS ACT

PIPELINE OPERATING LICENCE No. 2014-03

**NGL LINE from 11-30-1-25 WPM to 12-30-1-25 WPM
PENN WEST PETROLEUM LTD.**

WHEREAS, Penn West Petroleum Ltd. (Penn West) made application under Section 152 of The Oil and Gas Act ("the Act") for authorization to operate one 114.3 mm OD NGL (Natural Gas Liquid) Line from the Lease Automatic Custody Transfer ("LACT") unit at 11-30-1-25 WPM to Penn West Pipeline Station at 12-30-1-25 WPM.

AND WHEREAS, Subsection 152(3) of the Act provides as follows:

152(3) Where the minister is satisfied that an applicant for a pipeline operating permit has complied with this Act and the terms and conditions of the pipeline construction permit, the minister may, in accordance with the regulations, issue a pipeline operating licence to the applicant.

AND WHEREAS, the Minister is satisfied that the Licensee has complied with the Act, the terms and conditions of Pipeline Construction Permit dated February 27, 1984.

THEREFORE, the Minister approves operation of the pipelines in accordance with the following terms and conditions:


1. The Licensee shall operate and maintain the pipeline in accordance with the Act, this license, *CSA Standard Z662-Oil and Gas Pipeline Systems*, *CSA Standards Z245.1- Steel Line Pipe* and the procedures contained in the Penn West Manitoba Pipeline Operating and Maintenance Manual, all as amended from time to time.
2. The maximum operating pressure ("MOP") of the pipeline is 3448 kPa. The MOP of the line may be varied by the Director.
3. The Licensee shall provide the Director with a copy of the pipeline tariff schedules and shall advise the Director in writing of any changes in the tariff schedules.

4. The Licensee shall not make modifications to the pipelines without the approval of the Minister obtained in accordance with Section 150 of the Act. The Minister's authority under Section 150 of the Act is delegated to the Director pursuant to Order in Council 384/2001.
5. The Licensee shall maintain membership in the Manitoba Producers Oil Spill Cooperative.
6. The Licensee shall provide the Director with an annual report on pipeline operations pursuant to Subsection 152(4) of the Act. The annual pipeline report shall include details of:
 - a. volumes of oil transported each month;
 - b. any leaks, breaks or contact damage;
 - c. any major modifications, maintenance or repairs;
 - d. any changes to the tariff schedule;
 - e. a copy of the Certificate of Insurance covering the current and next year's operation; and
 - f. any other information requested by the Director.

Each annual report shall be filed with the Director of the Petroleum Branch no later than sixty (60) days after the end of each calendar year.

7. The Licensee shall notify the Director in writing when clean-up and rehabilitation of the pipeline right of way has been completed.
8. The Licensee shall register a plan of the pipelines in the appropriate Land Titles Office.
9. The Minister may amend the terms and conditions of this licence, as the Minister considers necessary or advisable to meeting changing conditions.
10. Operation of this line has been excluded from Pipeline Operation Permit No. 23.
11. This licence shall continue until revoked by the Minister.

Dated the 20th day of June, 2014



Honourable Dave Chomiak
Minister of Mineral Resources