



**MINISTER OF
MINERAL RESOURCES**

Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

THE OIL AND GAS ACT

PIPELINE OPERATING LICENCE NO. 2012-12A

**EOG WASKADA - PIERSON OIL PIPELINE
from 4-1-2-28 WPM to 15-21-1-25 WPM**

EOG RESOURCES CANADA INC. (EOG)

WHEREAS, EOG Resources Canada Inc. (EOG) made application under Section 152 of The Oil and Gas Act ("the Act") for authorization to operate an 8" crude oil pipeline starting from the proposed EOG Pierson oil battery at 4-1-2-28 WPM to an existing EOG Waskada oil battery at 15-21-1-25 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 Permits No. 2012-05, dated April 5, 2012 and No. 2012-07 dated June 27, 2012

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

1. The Licensee shall operate and maintain the crude oil pipeline in accordance with the Act, this licence, *CSA Standard Z662-Oil and Gas Pipeline Systems* and the procedures contained in the EOG Pipeline Operating and Maintenance Manual, all as amended from time to time.
2. The maximum operating pressure ("MOP") of the oil pipeline is 1595 psi (11,000 kPa) while the gas line is 1600 psi (11,030 kPa). The MOP of the pipeline and gas 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 pipeline 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; and
 - (e) 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 pipeline 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. This licence shall continue until revoked by the Minister.

Dated this 19th day of February, 2014.



Honourable Dave Chomiak
Minister Mineral Resources