



**MINISTER OF
MINERAL RESOURCES**

Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

THE OIL AND GAS ACT

PIPELINE OPERATION PERMIT NO. 2011-1A

**WASKADA PIPELINE
TUNDRA ENERGY MARKETING LIMITED**

WHEREAS, EOG Resources Canada Inc. made application under Section 152 of The Oil and Gas Act ("the Act") for authorization to operate a crude oil pipeline from the Lease Automatic Custody Transfer ("LACT") units at the existing EOG Waskada Batteries at 15-9-2-25 WPM and 15-21-1-25 WPM to the existing Tundra truck terminal at 12-16-9-28 WPM near Cromer, Manitoba and was granted Pipeline Operation Permit NO. 2011-1 on January 18, 2011.

AND WHEREAS, on November 27, 2013 Tundra Energy Marketing Limited ("TEML") has purchased the pipeline and has made application under Section 158 of the Act for authorization to transfer Pipeline Operation Permit 2011-1.

AND WHEREAS, Subsection 158 of the Act provides as follows:

158 *Subject to subsection 100(3), a licence or permit issued under this Part may be transferred in accordance with the regulations.*

AND WHEREAS, the Minister is satisfied that the application to transfer is complete and that Tundra Energy Marketing Limited is registered under The Corporations Act.

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

1. The Licensee shall operate and maintain the pipeline and LACT units in accordance with the Act, this license, CSA Standard Z662 - Oil and Gas Pipeline Systems, and the procedures contained in the Tundra Energy Marketing Limited Pipeline Operating and Maintenance Manual, all as amended from time to time.
2. The maximum operating pressure ("MOP") of the pipeline is 9930 kPa. The MOP of the pipeline 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:
 - (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 register a plan of the pipeline in the appropriate Land Titles Office.
8. The Licensee shall comply with all terms and conditions of Environmental Licence No. 2930 issued for this pipeline by the Environmental Assessment and Licencing Branch.
9. The Minister may amend the terms and conditions of this licence, as the Minister considers necessary or advisable to meeting changing conditions.
10. Pipeline Operation Permit NO. 2011-1 has been revoked.
11. This licence shall continue until revoked by the Minister.

Dated this 9th day of December, 2013.



Honourable Dave Chomiak
Minister Mineral Resources