

## MINISTER OF MINERAL RESOURCES

Legislative Building Winnipeg, Manitoba, CANADA R3C 0V8

## THE OIL AND GAS ACT

## **PIPELINE OPERATING LICENCE NO. 2011-2A**

## ENBRIDGE PIPELINE (VIRDEN) INC. AND TUNDRA ENERGY MARKETING LIMITED

WHEREAS, Enbridge Pipeline (Virden) Inc. was granted an operation licence under Section 152 of The Oil and Gas Act ('the Act") for a crude oil pipeline from 12-30-10-25 WPM to 10-25-10-26 WPM in the Virden field.

AND WHEREAS, on May 1, 2015 Tundra Energy Marketing Limited ("TEML") has purchased the pipeline and made application under Section 158 of the Act for authorization to transfer Pipeline Operation Permit 2011-2.

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 TEML 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 Licencee shall operate and maintain the pipeline in accordance with the Act, this license, CSA Standard Z662-15 Oil and Gas Pipeline Systems and the procedures contained in the TEML Operating and Maintenance Manual, all as amended from time to time.
- 2. The maximum operating pressure ("MOP") of the pipeline is set as 4964 kPa. The MOP of the pipeline may be varied by the Director.
- 3. The Licencee shall provide the Director of the Petroleum Branch with a copy of the pipeline tariff schedules and shall advise the Director in writing of any changes in the tariff schedules.

- 4. The Licencee shall not make modifications to the pipeline without the approval of the Minlster 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 Licencee shall maintain membership in the Manitoba Producers Oil Spill Cooperative.
- 6. The Licencee 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) digital location (in a compatible format to the Director) of the pipeline in the first reporting year and updates in subsequent reports thereafter:
  - (e) any changes to the tariff schedule; and
  - (f) any other information requested by the Director.

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

- 7. The Licencee shall comply with all terms and conditions of the original licence.
- 8. The Licencee shall register a plan of the pipeline in the appropriate Land Titles Office.
- The Licencee shall provide the Director with a copy of the TEML Operating and Maintenance Manual.
- 10. The Minister may amend the terms and conditions of this licence, as the Minister considers necessary or advisable to meeting changing conditions.
- 11. Pipeline Operation Permit No. 2011-2 has been revoked.
- 12. This licence shall continue until revoked by the Minister.

Dated this \_\_\_\_\_ day of August, 2015.

Honourable Dave Chomiak Minister of Mineral Resources