

DOCUMENT "A"

MINISTER'S DETERMINATION CONDITIONS OF APPROVAL

Pursuant to Regulation 87-83 under the *Clean Environment Act*

June 30, 2021

File Number: 4561-3-1313

1. In accordance with section 6(6) of the Regulation, it has been determined that the undertaking may proceed following approval under all other applicable acts and regulations.
2. Commencement of this undertaking must occur within three years of the date of this Determination. Should commencement not be possible within this time period, the undertaking must be registered under the *Environmental Impact Assessment Regulation (EIA) (87-83) – Clean Environment Act* again, unless otherwise stated by the Minister of Environment and Climate Change.
3. The proponent shall adhere to all obligations, commitments, monitoring and mitigation measures presented in the EIA registration document submitted on March 25, 2021, and to all those identified in correspondence during the review. Additionally, the proponent shall submit a summary table detailing the status of each Condition listed in this *Determination* to the Director of the Environmental Impact Assessment (EIA) Branch, Department of Environment and Local Government (ELG) every 3 months from the date of this Determination until such a time that the Director determines that it is no longer necessary.
4. Refueling and maintenance of equipment must take place in designated areas, on level terrain a minimum of 30 m from any surface water or wetland boundary and away from private residences. Appropriate spill response equipment must be kept in readily accessible locations during project construction and operation. All spills and releases must be promptly reported to the ELG office in Moncton during regular work hours (506) 856-2374. Outside of regular business hours, the 24-Hour Environmental Emergencies Report System should be contacted at 1-800-565-1633.
5. The proponent will follow the most recent versions of the previously approved *Environmental Management Plan (EMP)* and *Emergency Response Manual (ERM)* during construction and operational activities, or any future, approved revision of the EMP and ERM as applicable. The proponent is responsible for ensuring that all contractors and project personnel are familiar with the EMP and the ERM.
6. The proponent shall follow the most recent version of the *Responsible Environmental Management of Oil and Natural Gas Activities in New Brunswick Rules for Industry (Rules)*.
7. Within 2 months of the date of this Determination, the proponent must submit to the Director, EIA Branch, ELG for review and approval, an overview of the emergency response procedures that would be followed in the event of an accident, mishap or other unforeseen incident that may occur on the well pad during operations.
8. Headwater Exploration Inc. will ensure that all vehicle traffic associated with project activities have received applicable licenses and permits from the Department of Transportation and Infrastructure (DTI) prior to project implementation. The proponent must also contact the Supervisor of the Special Permits Unit (DTI) at (506) 453-2982, to update the *Road Use Agreement* and discuss other permits that may be required by DTI for project activities well in advance of the project implementation.

9. The Green Road must remain passable by all vehicles during all project operations and vehicles associated with project activities must only operate during appropriate environmental conditions. In the event that DTI must restrict truck traffic to protect infrastructure, every reasonable effort will be made to provide 24 hours' notice to the proponent.
10. Prior to commencement of construction or initiation of future phases of this undertaking, a detailed description of the subject phase(s), along with an assessment of potential interactions between the subject phase(s) and the environment must be submitted for review and approval to the Director, EIA Branch, ELG. The assessment must include a detailed list of all potential environmental impacts and a description of how these impacts would be avoided or mitigated. In addition, the assessment must include a description of how the requirements of the latest version of the *Responsible Environmental Management of Oil and Natural Gas Activities in New Brunswick Rules for Industry* (Rules) will be incorporated and met during implementation of the future phase(s). Future phase(s), for which a corresponding assessment is being reviewed, shall not commence or be initiated until an approval of the assessment has been received from the Director, EIA Branch, ELG. Consultation requirements will be evaluated as additional phases are proposed. Additional conditions may be imposed by the Director of the EIA Branch if future phases are approved.
11. All work for this project must be done in accordance with the requirements, limits, and conditions of the most current *Approval to Operate* issued by the Department of Environment and Local Government for the project. Furthermore, application(s) and/or amendment(s) to the *Approval* may be required prior to initiation of future phases of the project. Note that all relevant plans must be updated to reflect the new activities associated with future project phases. For more information, please contact the Manager, Permitting South Section, ELG at (506) 453-7945.
12. The proponent shall ensure that operations are maintained in a safe and secure manner during all phases of the project and do not pose a threat to public safety or include activities that would threaten human health. Owner/operators must consult with local Fire and Emergency Services well in advance of project implementation and ensure that regular communication takes place with local first responders during all project activities.
13. The proponent is advised that compliance with the *Transportation of Dangerous Goods Act (TDGA)* and the *Transportation of Dangerous Goods Regulations* is mandatory when handling and/or transporting any regulated dangerous goods. Additional information on the applicability of the TDGA is available from <http://www.tc.gc.ca/eng/tdg/safety-menu.htm>
14. Prior to initiating production from a well, the licensee must receive approval for an amendment to the well license from the Department of Natural Resources and Energy Development (NRED). An "Application to Amend a Well License" shall be submitted to the Resource Tenure Coordinator within the Resource Development Branch and shall include the following documentation; project description letter, current and proposed wellbore schematic diagrams, current surface Blowout Preventer (BOP) configuration and planned alterations to accommodate proposed project description, well testing history and expected well pressure, predicted well flow rate and decline, well gas composition test (if available), expected work timelines for well site preparation and production, proposed staff contacts and areas of responsibility, and any other information the Minister of Natural Resources and Energy Development considers necessary.
15. In addition to all application requirements required by the Minister of Natural Resources and Energy Development, the proponent shall provide to NRED evidence of liability insurance coverage in the amount of \$10 million. The proponent shall also provide notice to NRED of any changes to their insurance coverage. All documentation shall be submitted to the Resource Tenure Coordinator within the Resource Development Branch. Her Majesty the Queen in Right of the Province of New Brunswick must be named as an "additional-insured" in the policy, and a copy of the summary page

of the policy and the certificate of insurance must be provided prior to the issuance of the well licence amendment.

16. If the total volume of petroleum fuel stored on any site exceeds 2000L, additional permitting is required. Please contact the Manager, Permitting South Section, ELG at (506) 453-7945.
17. The disposal of all waste, wastewater and waste containers must be documented and made available to ELG upon request.
18. In the event of the sale, lease, or any other conveyance or change of control of the Project or any portion thereof: the proponent must provide written acknowledgement from the lessee, controller, or purchaser confirming that they will comply with the Conditions of this Determination to the Director of the EIA Branch of ELG.
19. The proponent shall ensure that all developers, contractors and operators associated with the project are familiar with and comply with the above Conditions and meet all regulatory requirements, applicable codes and standards while implementing project activities.
20. The proponent must notify the Moncton Regional Office (ELG) prior to the initiation of construction activities at the well pad (506) 856-2374.