

GRANTOR: _____

GRANTEE: _____

RE: Legal Description: _____ (The "Lands")

Further to the Permit To Conduct Geophysical Operations (the "Permit") executed by the Grantor on the ____ day of _____, 20__ and by the Grantee on the ____ day of _____, 20__, the undersigned hereby agree as follows:

1. Entry

- (a) The Grantee shall contain its operations within the designated area of travel as specified in the Permit and not trespass over other areas of the Lands. The Grantee shall notify the Grantor forty-eight (48) hours prior to entry onto the Lands.
- (b) The Grantee shall only use the access routes, driveways and gates designated by the Grantor and shall ensure such access routes, driveways and gates are not obstructed or otherwise blocked.

2. Setbacks

- (a) The Grantee shall abide by, at least, the minimum setback distances for shot lines and shot hole drilling as specified in the *Exploration Regulation*, as amended from time to time. In the event the Grantee deems it necessary to conduct its activities and operations within the minimum setback distances, the Grantee shall obtain the prior written consent of the Grantor and use a reduced charge, in the case of explosive operations.
- (b) Notwithstanding the *Exploration Regulation* does not provide minimum setback distances for seismic activities and operations near a septic system, in the case of explosive operations, the Grantee shall use a reduced charge for shot holes on or near any septic system on the Lands.

3. Seismic Shot Holes

- (a) In the case of explosive operations, the Grantee shall clearly mark and identify the location of each shot hole with an approved tag specifying the Grantee's permit number and geophysical approval number.
- (b) Once the explosive charge is loaded, the Grantee shall seal shot holes with a plastic plug specifying the Grantee's permit number and fill the shot holes from bottom to top with bentonite pellets, or another approved impervious material.
- (c) The Grantee shall spread any drill cuttings from the shot holes and restore the surrounding ground to its original condition, so far as may be practicable to do so. Alternatively or in addition, the Grantor may request the Grantee to remove any excess drill cuttings from the Lands, at the Grantee's cost.
- (d) In the event of a flowing shot hole, the Grantee shall strictly comply with the provisions provided in the *Exploration Regulation*, including, without restriction, the proper plugging of any flowing shot holes and notification to the appropriate government authorities.

4. Equipment

(a) The Grantee shall wash and clean all equipment, machinery and vehicles prior to entry onto the Lands. The Grantee shall give the Grantor the opportunity to inspect all equipment, machinery and vehicles prior to entry onto the Lands.

(b) The Grantee shall not use any plastic or wire flags, tape or ribbon on the Lands, nor shall the Grantee, in the case of explosive operations, stack any dynamite charges on the Lands.

5. Water Wells

(a) Prior to the Grantee commencing its activities and operations on the Lands, the Grantee shall conduct at its own cost, a thorough water well test and water analysis of all water wells on or near the Lands, which shall include, without limitation, testing quality, quantity, flow rate, pre-static level, draw down level, recovery time to pre-static level and migrating gas pollution. The Grantee shall provide the Grantor with the certified results of all testing and water analysis.

(b) The Grantee shall compensate the Grantor for the reasonable costs of the repair or replacement of any water well or water source damaged as a result of the Grantee's activities and operations on or near the Lands.

6. Livestock

(a) To prevent the straying of livestock, the Grantee shall keep all gates closed upon entry onto the Lands.

(b) The Grantee shall not operate any low flying helicopters above, over or near livestock on or near the Lands.

(c) The Grantee shall compensate the Grantor for any damage to fences, gates or corrals or for the retrieving and sorting of livestock that have been spooked or stampeded as a result of the Grantee's operations on, above or near the Lands.

7. Compensation for Damages

(a) The Grantee shall install, operate and maintain equipment, services or systems on the Lands in a good and workmanlike manner so as to minimize damage to the Lands. If any damage should arise as a result of the Grantee's activities or operations, the Grantee shall take immediate steps to rectify the problem and prevent additional damage.

(b) The Grantee shall compensate the Grantor for reasonable damage arising out of the Grantee's activities and operations which, without restricting the generality thereof, shall include, without limitation, damage to buildings, structures, foundations, machinery, fences, gates, culverts, trees, crops or other improvements as well as damage caused by diesel spills and any death of or injury to livestock or fisheries. The Grantee's responsibility to compensate the Grantor for any reasonable previously undetected damage resulting from its activities and operations shall survive the expiration and termination of the rights and privileges granted to the Grantee under the Permit and this Addendum or the signing of any release.

(c) IN the event the Grantee deems it necessary to move or destroy any structures, fences or trees for the purposes of carrying out its activities and operations, the Grantee shall obtain the Grantor's prior written consent. The Grantee shall replace any structures, fences or trees in substantially the same condition and location as existed prior to its removal or alternatively, compensate the Grantor the reasonable costs to repair or replace the said structures, fences or trees.

**Key Consideration a Landowner/Occupant Should Consider
When Agreeing to Provide Access to a Seismic Company**

8. Restoration

(a) After the expiration of this Agreement, or no later than the ____ day of _____, 20____, the Grantee shall restore the Lands to the same condition, so far as may be practicable to do so, existing prior to the Grantee's entry thereon at its sole cost and expense and shall remove all equipment, services and systems from the Lands, including but without limitation all stakes, seismic materials, blasting wires, damaged trees, debris and garbage.

(b) In the event that the Grantee should fail to remove any equipment, services, systems or debris from the Lands, the Grantor shall be at liberty to remove same and all costs incurred by the Grantor shall be paid by the Grantee to the Grantor upon demand.

9. Compliance

The Grantee shall at all times comply with any and all applicable codes, statutes, laws, regulations, permits, licenses, orders and directions of any governmental authority from time to time in force in the Province of Alberta.

10. Liability and Indemnity

(a) The Grantee shall, at all times during the exercise of or reliance upon, the rights and privileges granted to the Grantee within the Permit or this Addendum, maintain in force comprehensive general liability insurance or commercial general liability insurance on a primary basis with umbrella or excess liability coverage with a limit of not less than five million (\$5,000,000.00) per occurrence, covering the Grantee's activities and operations governed by the Permit or this Addendum.

(b) The Grantee shall indemnify and save harmless the Grantor from any and all liabilities, damages, costs, expenses, claims, suits, sanctions, administrative proceedings or actions (including, without limitation, insurance deductibles, and legal fees on a solicitor and his own client full indemnity basis) of any kind whatsoever, caused by or resulting from the Grantee's activities and operations on, above or near the Lands, or in any way resulting from the Grantee's breach of any provision of the Permit or this Addendum including, without restriction, the Grantor's costs of enforcement on a solicitor and his own client full indemnity basis.

11. Early Termination

(a) In the event the Grantee does not complete the steps necessary to undertake its activities and operations upon the Lands within six (6) months of the date of this Addendum, the Grantor may revoke the Permit and Addendum.

(b) In the event of a default on the part of the Grantee in the observance or performance of its obligations contained within the Permit or this Addendum, the Grantor shall be entitled to all rights or remedies available at law, or in equity, including termination of the Grantee's right to enter upon the lands upon delivery of any notice to that effect.

12. General

(a) Save and except for as amended within this Addendum, all other terms and conditions contained in the Permit remain the same and in full force and effect. This Addendum is attached to and forms a part of the Permit, and all terms and conditions contained herein are deemed to be terms and conditions of the Permit. If there is any conflict between this Addendum and any term or condition in the Permit, this Addendum shall prevail.

- (b) The Permit and this Addendum constitute the entire agreement between the Grantor and Grantee and replace all previous agreements, if any, whether oral or written, dealing with the Lands.
- (c) Notwithstanding anything contained in the Permit or this Addendum, the Grantee's obligations under the Permit or this Addendum shall survive the expiration and termination of the rights and privileges granted to the Grantee for any reason whatsoever, until such time as the Grantee's obligations are satisfied in full.
- (d) If any term or condition of the Permit or this Addendum becomes unenforceable, it shall be considered separate and severable from the Permit or this Addendum and the remaining terms and conditions shall continue to be binding.
- (e) The observance or performance of any term, covenant or condition of the Permit and this Addendum shall not in any way be deemed to be waived unless the waiver is in writing and signed by the Grantor.
- (f) The term "Grantee" in the Permit and this Addendum shall include all agents, permittees, landmen, inspectors, contractors, subcontractors, operators, consultants, surveyors and employees of the Grantee. The Grantee shall not, however, assign the Permit or this Addendum, either in whole or in part, without the written agreement of the Grantor. The term "Grantor" in this Addendum shall include any occupant of the Lands.
- (g) The Permit and this Addendum shall be governed by and interpreted in accordance with the Laws of the Province of Alberta and the federal laws of Canada applicable therein. The Parties hereto hereby attorn to the exclusive jurisdiction of the Courts of the Province of Alberta.
- (h) The Permit and this Addendum may be executed originally or by facsimile and may be executed in counterparts, each of which when so executed and duly delivered to each party hereto shall be deemed to be an original and both of which shall together constitute one and the same instrument, which shall be sufficient evidence by either such original counterpart.

Dated this ____ day of _____, 20__.

GRANTOR: _____ (grantor)

Per: _____

Per: _____

GRANTEE: _____ (grantee)

Per: _____

Per: _____