



## **ENVIRONMENTAL IMPACT SCREENING COMMITTEE**

### **Environmental Impact Screening Decision Form**

**EISC FILE: 01-19-08**

**Project Title: Langley K-30, Langley E-07 and Kumak I-25 Well Abandonment Program**

**Proponent: MGM Energy**

#### **DECISION OF THE SCREENING PANEL:**

Section 11.(17) of the IFA requires that, "On receipt of a project description, the Environmental Impact Screening Committee shall expeditiously determine if the proposed development could have a significant negative environmental impact and shall indicate in writing to the government authority competent to authorize the development that, in its view:

- (a) The development will have no such significant negative impact and may proceed without environmental impact assessment and review under the Inuvialuit Final Agreement.
- (b) The development, if authorized subject to environmental terms and conditions recommended by the Screening Committee, will have no such significant negative impact and may proceed without environmental impact assessment and review under the Inuvialuit Final Agreement.
- (c) The development could have significant negative impact and is subject to assessment and review under the Inuvialuit Final Agreement.
- (d) The development proposal has deficiencies of a nature that warrant a termination of its consideration and the submission of another project description".

EISC file 01-19-08 was considered a development subject to screening pursuant to section 11.(1) of the IFA.

Based on the evidence before it, the Screening Panel determined that in the case of **EISC file 01-19-08**, The development, if authorized subject to environmental terms and conditions recommended by the Screening Committee, will have no such significant negative impact and may proceed without environmental impact assessment and review under the Inuvialuit Final Agreement. (IFA 11.(17)(b)).

In reaching this 11(17)(b) decision, the Panel provided the following recommendations:

1. The Proponent shall follow all proposed mitigation measures, emergency response plans, and spill contingency plans described in this Decision letter. In addition, and

unless specifically addressed otherwise in this Decision letter, the Proponent shall follow its submitted Project Description and its commitments therein.

2. The Proponent shall incorporate the comments received on this file from the Department of Environment and Natural Resources and the Department of Education, Culture, and Employment in its development plan and regulatory applications

Signed on the 15<sup>th</sup> day of March 2019

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David Livingstone, Chair

Signature on File

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Ray Ruben Sr. Inuvialuit Member

Signature on File

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Gerald Inglangasuk, Inuvialuit Member

Signature on File

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Bengt Petterson, YTG Member

Signature on File

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Albert Ruben Sr., GNWT Member

Signature on File

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## ENVIRONMENTAL IMPACT SCREENING COMMITTEE

March 21<sup>st</sup>, 2019

EISC Registry File: [01-19-08]

Larry Yoon  
MGM Energy  
Suite 2800, 421 7th Avenue SW  
Calgary, AB  
T2P 4K9

**Project Title: Langley K-30, Langley E-07 and Kumak I-25 Well Abandonment Program**

**Proponent: MGM Energy**

Dear Mr. Yoon:

Thank you for submitting your project description (**PD**) to the Environmental Impact Screening Committee (**EISC**) for the above-named project. The EISC mandate is derived from the *Inuvialuit Final Agreement (IFA)* section 11(36), which states that “no license or approval shall be issued that would have the effect of permitting any proposed development to proceed unless the provisions of IFA section 11(36) have been complied with”.

During its regular meeting of March 15, 2019, the EISC discussed your project proposal and reviewed the Screening Record (**Record**) compiled over the screening comment period. The EISC determined that the Record was complete for the purpose of making an EISC decision and closed the Record. After closing the Record, the EISC Chair appointed a Screening Panel (**Panel**) pursuant to Section 11 (19) of the IFA. The Panel then met to determine if the proposed development could have a significant negative environmental impact and whether the development could have a significant negative impact on present or future wildlife harvesting.

After careful deliberation, the Panel delivered an **11(17)(b)** decision:

*“The development, if authorized subject to environmental terms and conditions recommended by the Screening Committee, will have no such significant negative impact and may proceed without environmental impact assessment and review under the Inuvialuit Final Agreement.” [IFA s. 11. (17)(b)]*

In reaching this 11(17)(b) decision, the Panel provided the following recommendations:

1. The Proponent shall follow all proposed mitigation measures, emergency response plans, and spill contingency plans described in this Decision letter. In addition, and unless specifically addressed otherwise in this Decision letter, the Proponent shall follow its submitted Project Description and its commitments therein.
2. The Proponent shall incorporate the comments received on this file from the Department of Environment and Natural Resources and the Department of Education, Culture, and Employment in its development plan and regulatory applications.

### **Review of the Record**

In reaching its decision, the EISC considered the information contained in the PD and comments and advice received from reviewers during the screening comment period, which concluded March 11<sup>th</sup>, 2019. These considerations are summarized below. This summary is intended to assist the reader in understanding the EISC's reasoning and does not mean that the EISC did not consider all other relevant portions of the Record with respect to the matter.

### **Department of Environment and Natural Resources (ENR)\***

- ENR provided several comments and recommendations on Fuel Storage and Spill Contingency Planning and Reporting, Wildlife Disturbance and Harassment, Wildlife Sightings and Encounters, Wildlife Attractants and Waste Management, Northwest Territories Listed and Pre-listed Species at Risk, Wildlife Cumulative Effects Tracking, and Wildlife Abodes.

### **Department of Education, Culture, and Employment (ECE)\***

- ECE noted that there are a number of recorded archaeological sites in proximity to the project location and that recommends the proponent access the NWT Archaeological Sites Database to obtain locations of the archaeological sites. Any sites should be avoided by a minimum distance of 150m. If the sites cannot be avoided, the proponent should contact the Culture and Heritage Division of ECE to discuss alternate plans.

\*All communications are available on the EISC Public Registry.

## **Reasons for Decision**

Among the key considerations informing the Panel's decision are the following:

### **1. Nature of Activities:**

- a. The project will conduct Well Abandonments at Langley K-30, Langley E-07 and Kumak I-25. Monitoring at Langley K-30 has documented that shoreline erosion is occurring at upwards of 10m per year along the western shoreline. Given the observed shoreline erosion rate, the well is at risk of exposure within the next 10 years, and consequently, MGM has decided to abandon the well which includes Langley E-07 and Kumak I-25 due to its proximity to Langley K-30.
- b. The required work includes:
  - Advanced Barging and Staging
    - If MGM mobilize equipment and material in advance, personnel will be flown in to the barge landing in November and an on-land ice pad will be constructed adjacent to the frozen in barge.
  - Construction and Operation of Ice Roads and Ice Pads
    - Construction will consist of building ice roads, ice pads, staging areas, air strips and helicopter pads.
  - Abandonment
    - Preparation of the site (e.g. ice pad construction)
    - Excavation of the soil around the wellhead to expose the casing string
    - Cutting of the casing and removal of the well head
    - Cutting of the casing string to an appropriated depth approved by NEB
    - Capping of the casing string
    - Backfilling of the excavated soil.
  - Demobilization

- c. Fuel:
  - Amount: Approximately 1,500,000 litres of diesel, 2,000 litres of jet fuel, 1,000 litres of propane, and 2,500 litres of gasoline will be required for the project. This estimate is based on the assumption that all three wells are abandoned within a single year.
  - Storage: Double walled envirotanks complete with secondary containment. 110% capacity of the tanks/drums. The fuel storage area will be bermed. Containers will be stored 50m from the ordinary high-water mark. All fuel will be removed from the site at the end of operations.
  - To minimize potential for spills, specifically trained individuals will be tasked with fuel transportation and onsite refuelling.
  - All accidental spills will be managed as per MGM's Spill Response Plan.
- d. Waste:
  - Solid waste generated during construction will be primarily domestic waste, minor amounts of hazardous wastes, and recyclables.
    - Solid waste will be transported to Inuvik and disposed of at an appropriate facility.
    - Hazardous waste (fuel and lubricants) will be hauled to Inuvik where it will either be treated and disposed through a working arrangement with the Town of Inuvik, or transported to an approved disposal facility outside the NWT.
    - Recyclables will be disposed of through the recycling depot in Inuvik.
    - All accidentally discharges of waste or hazardous materials will be managed in accordance with MGM's Spill Response Plan.
    - All greywater and sewage will be stored on the barge during construction, and effluent will be hauled by vacuum truck to the municipality treatment facility in Inuvik for disposal.

**2. Location:**

- a. The site is located within the outer Mackenzie Delta within the Inuvialuit Settlement Region within the vicinity of the Kendall Island Bird Sanctuary. The area is identified as land category B, C, and E under the Inuvik, Tuktoyaktuk, and Aklavik Community Conservation plans.

**3. Duration:**

- a. Occurring from 2020 to 2024.

**4. Timing:**

- a. Barge Mobilization: September to October, 2019.
- b. Ice road/ice pad construction: November to mid-April.
- c. Abandonment activities: December to mid-April.
- d. Demobilization (ice road): mid-April.
- e. Demobilization: late June to early July.
- f. Monitoring: July to August.

**5. Frequency:**

- a. Every year for 4 years, with a possibility of extension to activities.

**6. Magnitude of environmental effect:**

- a. Moderate

**7. Scale of the environmental effect:**

- a. The site covers each well site, staging areas, camp facilities, barge landing, and ice road alignments.

**8. Nature of environmental effect (potential direct, indirect, cumulative impact):**

- a. Direct and indirect impacts to the terrain, soil, and permafrost from disturbance and erosion, and reduced permafrost integrity.

**Mitigation measures:**

- Barge landing sites previously screened by EISC will be preferentially selected.
- Sites with stable shorelines and deeper channels for transport will be selected.
- Equipment will be unloaded using barge ramps or packed snow and ice to protect banks.
- Ice pads will be constructed using low ground pressure vehicles.
- Only low ground pressure equipment will be used if less than 15cm of snow.
- Other vehicles and equipment will only be used on constructed ice pads which will be a minimum of 15cm thick.
- Rutting will be avoided. Vehicle movements will be suspended if rutting occurs.
- Mushroom shoes or boots will be used on bladed equipment.
- Ice flare pads will be constructed to maintain an insulating barrier.
- Flaring is not expected unless there is residual gas in the well bores or the plugs are leaking.
- If ground disturbance is unavoidable the surface will be immediately reinsulated.

- b. Direct and indirect impacts to vegetation through localized loss or damage of vegetation

**Mitigation measures:**

- Vegetation clearing will be minimized by confining activities to areas being used for ice road construction and staging.
- Vegetation clearing will not occur on the ice pads.
- On-land program activities will be confined to winter.
- Ice roads and ice pads of at least 15cm in thickness will be used to protect surface vegetation and prevent compaction.
- The areal extent of on-land ice pads and ice road areas will be minimized.
- Vehicles and equipment will only be used if there is a minimum of 15cm snow/ice on ice pads and overland access roads.
- Vegetation will be 'walked down' instead of cut wherever possible.
- Proposed overland access will be pre-scouted to select appropriate routing to minimize vegetation disturbance.
- Where vegetation removal or damage is necessary (e.g., in the case of spill clean-up), the area will be reinsulated with cut organic matter to prevent possible thawing of permafrost and facilitate re-vegetation in the upcoming growing season.
- Equipment, other than what is absolutely necessary (ice pad construction equipment), will be offloaded from barges and/or trucks before the construction of ice roads and ice pads to protect surface vegetation.
- Reclamation activities using an appropriate seed mix will be completed at each wellsite after abandonment activities are complete.

- c. Direct and indirect impacts to water quality

**Mitigation measures:**

- All on site waste will be stored in approved containers and will be transported to approved disposal sites in accordance with permit requirements.

- All program activities will be confined to ice pads or ice roads to facilitate containment and clean-up of any accidental spills.
- Fuel containment and handling procedures will minimize the risk of fuel spills.
- In the event of accidental spills, MGM's Spill Response Plan (Appendix A) will be followed to facilitate containment, thorough clean-up, and proper disposal of spilled material, absorbent materials, and contaminated snow and ice. Evaporators will be used to reduce the volume of contaminated snow and ice.
- Prior to demobilization, all working areas will be inspected for contaminant residues and cleaned up as required.
- Fuel barges will be inspected bi-weekly for fuel spills.

d. Direct and indirect impacts to hydrology

**Mitigation measures:**

- Ice pads will be sited on level ground.
- An ice berm will be built up-slope from the ice pads to deflect overland meltwater around the ice pads.
- Department of Fisheries and Ocean (DFO) protocol for winter water withdrawal from ice-covered waterbodies in the NWT and Nunavut (DFO 2010) will be followed.

e. Direct and indirect effects to fish and fish habitat.

**Mitigation measures:**

- DFO protocol for winter water withdrawal from ice-covered waterbodies in the NWT and Nunavut (DFO 2010) will be followed.
- Mitigation will be developed using DFO measures to avoid causing harm to fish and fish habitat (<http://www.dfo-mpo.gc.ca/pnwpppe/measuresmesures/measures-mesures-eng.html>).
- Water withdrawal will be from the Mackenzie River, and the program will also explore location options from previous applications.
- Regular inspection of water trucks will be undertaken to ensure compliance.
- Fuel containment and handling procedures will be followed to minimize the risk of fuel spills.
- In the event of accidental release, MGM's Spill Response Plan (Appendix A) will be followed to ensure containment, thorough clean-up and proper disposal of spill materials, absorbent materials and contaminated snow and ice. Evaporators will be used to reduce the volume of contaminated snow and ice.
- Fuel barges will be inspected bi-weekly
- Approaches to the shore line will be snow filled.
- Exposed soil will be avoided.
- Previously used routes, where discernable, will be used and no new winter road alignments will be made.
- All program activities will take place on constructed ice pads or ice road to facilitate thorough clean-up of any accidental spills and protect soils from erosion and contamination, which could subsequently affect surface water quality.

f. Direct and indirect impacts on migratory birds and habitat

**Mitigation measures:**

- EISC Operating Guidelines and Procedures (2004) will be followed where applicable. Observed concentrations of migratory birds will be avoided (1000 m vertically, 1500 m horizontally).
- Disruptions to migratory birds will be kept to a minimum by removing barges in the shortest possible timeframe.
- Wildlife monitors will be consulted during activities.
- Demobilization activities and personnel will be confined to the area at the barge staging sites to avoid disturbing inland nesting sites.
- Winter program activities will be confined to the program footprint and on ice pads or ice roads.
- Low ground pressure equipment will be used if there is less than 15 cm of snow
- Other program equipment and vehicles will only be operated on constructed ice pads with a thickness greater than 15 cm.

g. Direct impact to traditional camps

**Mitigation measures:**

- HTCs will be notified of program activities prior to commencement to minimize interactions with subsistence activities.
- EISC Operating Guidelines and Procedures (2004) will be followed where possible.

h. Direct/indirect impacts to grizzly and polar bears

**Mitigation measures:**

- Avoidance will be the primary mitigation.
- Coordination with ENR and MGM will occur to obtain the known locations of current and historic grizzly and polar bear dens.
- MGM will incorporate the results of ENR identified den location information in program planning.
- Prior to construction, surveys will be conducted to locate active and suspected active bear dens within setback distances of areas scheduled for activity.
- Program activities will avoid known den sites by a minimum of 800 m.
- If an active den or if a bear is observed during the winter season (October 1 to May 30) within 800 of Program activity, activities will be suspended within the exclusion zone and ENR will be contacted to determine appropriate mitigation.
- ENR Bear Encounter Response Guidelines for Oil and Gas Programs will be followed (Appendix B).
- Proper storage, transportation and disposal of wastes will be carried out to avoid attracting bears to work sites.
- Wildlife monitors will be consulted during activities.

i. Direct/indirect impacts to marine mammals and habitat

**Mitigation measures:**

- Avoidance will be the primary mitigation during barge staging activities as staging will take place in late September or October and may overlap with the presence of beluga whales or seals. A wildlife monitor will be present during times where there is an overlap with beluga whale and seal movements.

- Avoidance will be the primary mitigation for barge demobilization activities. A wildlife monitor will be present during times where there is an overlap with beluga whale and seal movements.

9. **Ecological context of environmental effect (on wildlife, habitat, biodiversity):**
  - a. The site is within the Kendall Island Migratory Bird Sanctuary which is important for bird breeding between May-August.
  - b. Important mainland coastal polar bear denning area from October to March.
  - c. Critical grizzly bear denning area from October to May.
10. **Wildlife harvesting context of environmental effect (place, timing, etc.)**
  - a. Identified areas for fall/winter/spring moose harvesting, spring goose and fall waterfowl harvesting, winter wolverine harvesting, and winter fishing in the Inuvik and Tuktoyaktuk Community Conservation plans.
11. **Likelihood of environmental effect occurring:**
  - a. Low-moderate
12. **Project addresses community concern:**
  - a. It was noted by trappers that various animals are harvested in the area. MGM noted that interaction would be minimal since barge staging would occur late in the open water season, and that activities were confined to the Mackenzie Delta and would not enter the TNMPA. Communities (HTC's) will be consulted on appropriated travel routes on the river. The HTC's, CC's, and the IDC would also be kept informed of program dates and activities.
  - b. Concern was expressed regarding gas leakage from the wellsite after the program. MGM stated that cement would be pushed into the well until it no longer moves ('squeezing') and that any gas leaks will be checked prior to capping the pipe.

A copy of the decision form for this file is attached to the email notification of this decision.

Both the Decision Letter and the Decision Form for this file will be placed on the file held in the EISC Registry.

If you have any questions regarding this decision, please don't hesitate to contact me directly at 1(867)777-2828, Extension 1014.

Sincerely,



Michel Lindsay  
EISC Coordinator

Attachments:

- 1) EISC Decision Form
- 2) ENR Comment Letter
- 3) ECE Comment Letter

cc: EISC Distribution List

**EISC Distribution List**

Terence Huges, Regulatory and Community Affairs Advisor  
 Larry Yoon, Environmental Coordinator, MGM Energy  
 Michael Fabijan, Kavik-Stantec  
 Larry Carpenter, Chair, Wildlife Management Advisory Committee (NWT)  
 Jodie Maring, Wildlife Management Advisory Committee (NWT)  
 Lindsay Staples, Chair, Wildlife Management Advisory Committee (NS)  
 Kaitlin Wilson, Wildlife Management Advisory Committee (NS)  
 Alan Kennedy, Chair, Fisheries Joint Management Committee  
 Vanessa Cunningham, Fisheries Joint Management Committee  
 Emily Way-Nee, Fisheries Joint Management Committee  
 Vernon Amos, Chair, Inuvialuit Game Council  
 Chanda Turner, Inuvialuit Game Council  
 John Donihee, Chair, Environmental Impact Review Board  
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 Cassandra Elliott, TLK, Joint Secretariat  
 Kayla Hansen-Craik, MPA, Joint Secretariat  
 Paulatuk Hunters and Trappers Committee  
 Aklavik Hunters and Trappers Committee  
 Inuvik Hunters and Trappers Committee  
 Olokhaktomiut Hunters and Trappers Committee  
 Sachs Harbour Hunters and Trappers Committee  
 Tuktoyaktuk Hunters and Trappers Committee  
 Mardy Semmler, Executive Director, Inuvialuit Water Board  
 Bijaya Adhikari, Inuvialuit Water Board  
 Duane Smith, Chair, Inuvialuit Regional Corporation  
 Kate Darling, General Counsel, Inuvialuit Regional Corporation  
 Charles Klengenber, Director of Lands, Inuvialuit Land Administration  
 Glenna Nokšana, Inuvialuit Land Administration  
 Alec Sandra Macdonald, Regulatory Specialist, GLWB  
 Erika Tramm-Tizya, Transboundary Specialist, Gwich'in Lands and Resources  
 Stephen Charlie, Director, Gwich'in Lands and Resources  
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 Nathen Richea Manager Water Regulatory, ENR, GNWT  
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 Veronique D'Amours-Gauthier, DFO

Fisheries Protection Program, Fisheries and Oceans Canada  
Beaufort Sea Partnership  
Nelson Perry, Parks Canada Agency  
Joe Costa, Resource Management Officer, Parks Canada  
Eric Reed, Canadian Wildlife Service, ECCC  
Marc LePointe, Environmental Assessment and Marine Program, ECCC  
Denis Lacroix, Environmental Assessment and Marine Program, ECCC  
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