

November 30, 2000

Mr. Beric Evans
Manager, Geophysics
Burlington Resources Canada Energy Ltd.
3700 Bow Valley Square IV
250-6th Ave. SW
Calgary, Alberta T2P 3H7

Dear Mr. Evans

ISSUANCE OF A "B" TYPE LICENCE

Attached is a duplicate of Licence No. N7L1-1761 granted to Burlington Resources Canada Energy Ltd. by the Northwest Territories Water Board in accordance with the Northwest Territories Waters Act. The other original of this Licence has been filed with the Department of Indian Affairs and Northern Development in Yellowknife, Northwest Territories.

Also attached are general procedures for the administration of licences in the Northwest Territories. I request that you review these and address any questions to the Board's office.

In conclusion, please be advised that this letter with attached procedures, all inspection reports, and correspondence related thereto are part of the public Water Register, and are intended to keep all interested parties informed of the manner in which the Licence requirements are being met. All Water Register material will be considered when the Licence comes up for renewal or amendment.

The full cooperation of Burlington Resources Canada Energy Ltd. is anticipated.

Sincerely

Gordon Wray

N.W.T. Water Board

Attachments (2)

GENERAL PROCEDURES FOR THE ADMINISTRATION OF LICENCES ISSUED UNDER THE NORTHWEST TERRITORIES WATERS ACT IN THE NORTHWEST TERRITORIES

- At the time of issuance, a copy of the Licence is placed on the Water Register in the Office of the Northwest Territories Water Board in Yellowknife, and is then available to the public.
- 2. To enforce the terms and conditions of the Licence, the Minister of Indian Affairs and Northern Development has appointed Inspectors in accordance with Section 35(1) of the Northwest Territories Waters Act. The Inspectors coordinate their activities with officials of the Water Resources Division of the Department of Indian Affairs and Northern Development. The Inspector responsible for Licence No. N7L1-1761 is located in the North Mackenzie- Inuvik District.
- 3. To keep the Water Board and members of the public informed of the Licensee's conformity to Licence conditions, the Inspectors prepare reports which detail observations on how each item in the Licence has been met. These reports are forwarded to the Licensee with a covering letter indicating what action, if any, should be taken. The inspection reports and covering letters are placed on the public Water Register, as are any responses received from the Licensee pertaining to the inspection reports. It is therefore of prime importance that you react in all areas of concern regarding all inspection reports so that these concerns may be clarified.
- 4. If the renewal of Licence No. N7L1-1761 is contemplated it is the responsibility of the Licensee to apply to the Water Board for renewal of the Licence. The past performance of the Licensee, new documentation and information, and points raised during a public hearing, if required, will be used to determine the terms and conditions of any Licence renewal. Please note that if the Licence expires and another has not been issued, then water and waste disposal must cease, or you, the Licensee, would be in contravention of the Northwest Territories Waters Act. It is suggested that an application for renewal of Licence No. N7L1-1761 be made at least eight months in advance of the Licence expiry date.
- 5. If, for some reason, Licence No. N7L1-1761 requires amendment, then a public hearing may be required. You are reminded that applications for amendments should be submitted as soon as possible to provide the Water Board with ample time to go through the amendment process. The process may take up to six (6) months or more depending on the scope of the amendment requested.

The Surveillance Network Program annexed to the Licence can be modified at the discretion of the Board and does not require a public hearing. A request for any proposed change to the Surveillance Network Program should be forwarded to the Board in writing, including a rationale for the change.

Specific clauses of your Licence make reference to the Board, Analyst or Inspector. The contact person, address, phone and fax number of each is:

BOARD:

Executive Assistant

Northwest Territories Water Board

P.O. Box 1500

YELLOWKNIFE, NT X1A 2R3

Phone No: (867) 669-2772 Fax No: (867) 669-2719

ANALYST:

Analyst

Water Laboratory

Northern Affairs Program Department of Indian Affairs and Northern Development

Box 1500

4601 - 52nd Avenue

YELLOWKNIFE, NT X1A 2R3

Phone No: (867) 669-2780 Fax No: (867) 669-2718

INSPECTOR: Inspector

Inuvik District Office Northern Affairs Program Department of Indian Affairs and Northern Development

P.O. Box 2100

INUVIK, NT X0E 0T0

Phone No: (867) 777-3361 Fax No: (867) 777-2090

NORTHWEST TERRITORIES WATER BOARD

Pursuant to the Northwest Territories Waters Act and Regulations the Northwest Territories Water Board, hereinafter referred to as the Board, hereby grants to

	BURLINGTON RESO	URCES CANADA ENERGY LTD.
(Licensee)	3700 Bow Valley Squa	
-6	250-6th Avenue S.W.	TOD 0117
of (Mailing Ad-	CALGARY, ALBERTA	T2P 3H7
(Walling Au	uiess)	
to the res Regulation	strictions and conditions	ne right to alter, divert or otherwise use water subject contained in the Northwest Territories Waters Act and in subject to and in accordance with the conditions
Licence Number		N7L1-1761
Liconco -	Type	101
Licence ⁻	туре	
Water Management Area		NORTHWEST TERRITORIES 07
Location		AS DESCRIBED IN WATER LICENCE APPLICATION
Purpose		WATER USE AND WASTE DISPOSAL FOR MUNICIPAL UNDERTAKINGS
Quantity	of Water Not	
To Be Ex		100 CUBIC METRES DAILY
		100 OOBIO METREO DAIET
Effective Date of Licence		DECEMBER 1, 2000
Expiry Da	ate of Licence	NOVEMBER 30, 2002
This Lice condition	nce issued and recorded s.	at Yellowknife includes and is subject to the annexed
		NORTHWEST TERRITORIES WATER BOARD
		De Shark
Witness		Chairman

PART A: SCOPE AND DEFINITIONS

1. Scope

- a) This Licence entitles Burlington Resources Canada Energy Ltd. to use water and dispose of waste for municipal undertakings as described in the Water Licence application in conjunction with the Winter 2000/2001 Seismic Program in the MacKenzie River Delta, Northwest Territories;
- b) This Licence is issued subject to the conditions contained herein with respect to the taking of water and the depositing of waste of any type in any waters or in any place under any conditions where such waste or any other waste that results from the deposits of such waste may enter any waters. Whenever new Regulations are made or existing Regulations are amended by the Governor in Council under the Northwest Territories Waters Act, or other statutes imposing more stringent conditions relating to the quantity or type of waste that may be so deposited or under which any such waste may be so deposited this Licence shall be deemed, upon promulgation of such Regulations, to be automatically amended to conform with such Regulations; and
- c) Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. Definitions

In this Licence: N7L1-1761

"Act" means the Northwest Territories Waters Act;

"Board" means the Northwest Territories Water Board established under Section 10 of the Northwest Territories Waters Act:

"Inspector" means an Inspector designated by the Minister under Section 35(1) of the Northwest Territories Waters Act:

"Licensee" means the holder of this Licence;

- "Minister" means the Minister of Indian Affairs and Northern Development;
- "Regulations" mean Regulations proclaimed pursuant to Section 33 of the Northwest Territories Waters Act;
- "Waste" means waste as defined by Section 2 of the Northwest Territories Waters Act:
- "Waters" mean waters as defined by Section 2 of the Northwest Territories Waters Act;

PART B: GENERAL CONDITIONS

- The Licensee shall file an Annual Report with the Board not later than March 31
 of the year following the calendar year reported which shall contain the following:
 - the total quantities in cubic metres of fresh water obtained from each source;
 - the total quantities in cubic metres of each and all waste discharged;
 - c) a list of any spills and unauthorised discharges; and
 - any other details on water use or waste disposal requested by the Board within forty-five (45) days before the annual report is due.
- Meters, devices or other such methods used for measuring the volumes of water used and waste discharged shall be installed, operated and maintained by the Licensee to the satisfaction of an Inspector.
- Prior to the use of water for municipal undertakings or the disposal of waste and pursuant to Section 17(1) of the Act and Section 12 of the Regulations, the Licensee shall have posted and shall maintain a security deposit of One Hundred Fifty Thousand dollars (\$150,000.00) in a form suitable to the Minister.
- The Licensee shall ensure a copy of this Licence is maintained at the site of operation at all times.

PART C: CONDITIONS APPLYING TO WATER USE

- The Licensee shall obtain water from the Mackenzie River or the un-named lakes as described in the project description or as otherwise approved by an Inspector.
- The daily quantity of water used for all purposes shall not exceed 100 cubic metres.
- The water intake hose used on the water pumps shall be equipped with a screen with a mesh size sufficient to ensure no entrainment of fish.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- The Licensee shall direct all greywater to the bermed disposal area at each location or as otherwise approved by the Inspector.
- The Licensee shall ensure that the electric toilets are used to dispose of sewage as described in the Water Licence application.
- The Licensee shall ensure that no greywater wastes are permanently disposed of within 30 metres of any water bodies to the satisfaction of an Inspector.
- The Licensee shall dispose of all solid wastes in a manner acceptable to the Inspector.

PART E: CONDITIONS APPLYING TO STREAM AND WATER BODY CROSSINGS

 The Licensee shall ensure that only clean snow is used on all stream or water body crossings and that no debris is left on the surfaces of the crossings.

- Stream or water body crossings shall be notched or removed before spring break-up to facilitate natural flow.
- The removal of naturally occurring material from the bed or banks of any stream or water body below the ordinary high water mark is not permitted.

PART F: CONDITIONS APPLYING TO CONTINGENCY PLANNING

- The Licensee shall submit to the Board for approval within thirty (30) days of issuance of this Licence, a Contingency Plan in accordance with the Board's "Guidelines for Contingency Planning, January 1987," or subsequent edition.
- If, during the period of this Licence, an unauthorised discharge of waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a) employ the appropriate contingency plan;
 - report the incident immediately via the 24 Hour Spill Report Line. The current telephone number is (867) 920-8130; and
 - submit to an Inspector a detailed report on each occurrence not later than thirty (30) days after initially reporting the event.

	NORTHWEST TERRITORIES WATER BOARD
	Commander wheat
Witness	Chairman