

NORTHWEST
TERRITORIES
WATER BOARD



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July 13, 2010

Shell Canada Limited
400- 4th Avenue S.W.
P.O. Box 100, Station M
Calgary, AB T2P 2H5

Attention: Randall Warren, DAR/ Construction Manager

Dear Mr. Warren:

Re: Shell Canada Limited Water License N7L1-1762

This letter is to remind you that the water license N7L1-1762 will expire on October 31st, 2010. Presented here are questions for you to answer as well as a description of options for you to consider with regard to this license.

The NWT Water Board would like to know, by July 23rd, 2010 if Shell Canada Limited wants to keep water licence N7L1-1762 active, if Shell Canada Limited complied with the terms and conditions of water licence N7L1-1762 part G and if all work for this license is completed.

Therefore, Shell Canada Limited must follow one of the following actions prior to the expiry date mentioned above:

- 1) If all activities are completed, Shell Canada Limited can decide not to amend or renew their water licence. If Shell Canada Limited takes this action, the NWT Water Board will start the procedure to close the water licence.
- 2) However, if Shell Canada Limited decides to amend or renew their water licence, they should submit a written application to the NWT Water Board. The NWT Water Board will then review the request and will decide whether or not the license should be amended or renewed.

Nevertheless, according to the *Northwest Territories Water Act* (S.C. 1992, c. 39) sections 18 (a) (ii) and 18 (b) (iii), the NWT Water Board can decide at any time to renew or amend a licence if it is in the public interest.

If you have any questions contact Véronique D'Amours Gauthier by phone at 867-678-8619 or by e-mail at damoursgauthierv@nwtwb.com.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Eddie Dillon'.

Eddie Dillon
Chairman
NWT Water Board

cc: Robert Jenkins - INAC (WRD)
Conrad Baetz - INAC (NMDO)