



Aboriginal Affairs and
Northern Development Canada
<http://www.aandc-aadnc.gc.ca>

Affaires autochtones et
Développement du Nord Canada
<http://www.aadnc-aandc.gc.ca>

North Mackenzie District
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Inuvik, NT X0E 0T0

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October 18, 2012

Northwest Territories Water Board
P.O. Box 2531
Inuvik, NT X0E 0T0

Attn: Mike Harlow, Executive Director

RE: Closure of Camp Farewell Water Licence N7L1-1762

Dear Mr. Harlow,

It is understood there has been a request for closure of Camp Farwell Water Licence N7L1-1762 by IEG Consultants Ltd. on behalf of Shell Canada Energy in a letter dated August 9, 2012.

An inspection/audit of the above mentioned Water Licence (expired on June 30, 2011) was conducted on August 24, 2011 by Aboriginal Affairs and Northern Development (AANDC) North Mackenzie District. The Industrial Water Use was inspected to assess compliance and ensure that the terms and conditions were met. At the time of inspection there was one violation identified in which records indicated that the requirement under Part B, Item 1 of the Water Licence relating to the Annual Report submission had not been received by the Northwest Territories Water Board since 2007.

It is understood that on August 9, 2012 a letter containing a 2007-2011 Summary Report was written on behalf of Shell Canada Energy by IEG Consultants Ltd. in order to comply with Part B, Item 1 of the Water Licence as identified above. This letter summarized water use and disposal at Shell's Camp Farwell site between 2007 and 2011.

Upon review of the submitted 2007-2011 Summary Report, it has been determined to address the non-compliance identified in the August 24, 2011 Industrial Water Use Inspection/Audit Report. AANDC North Mackenzie District was unable to identify any water use and/or waste disposal issues as a result of this Water Licence. AANDC North Mackenzie District **"Recommends File Closure" of Water Licence N7L1-1762**, pending the Northwest Territories Water Board's acceptance of the Licensee's compliance with this Water Licence.

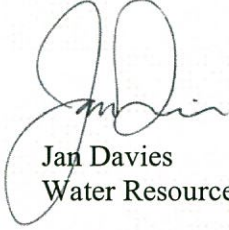
If you have any questions or concerns regarding the enclosed, and/or if additional information is required, please contact me at (867) 777-8909.



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Sincerely,



Jan Davies
Water Resource Officer

Cc: Conrad Baetz, District Manager, North Mackenzie District, Inuvik, NT
Randall Warren, Manager Reclamation & Drilling Waste Decommissioning /
Abandonment/Reclamation, Shell Canada Limited, Calgary, AB