



WATER LICENCE: N7L1-1762

October, 29th, 2010

Randall Warren
DAR/ Construction Manager
Shell Canada Limited
400- 4th Avenue S.W.
P.O. Box 100, Station M
Calgary, Alberta, Canada
T2P 2H5

Dear Mr. Warren:

Re: Amendment of Water Licence N7L1-1762

This letter is to inform you that at an October 28th, 2010 teleconference meeting of the Northwest Territories Water Board (NWTWB), the NWTWB evaluated Shell Canada Ltd water licence N7L1-1762 which is due to expire on October 31st, 2010. Below you will find a summary of the decision made by the NWTWB concerning this licence.

- The expiry date of the licence was amended until January 31st, 2011 to make sure the licensing process is completed before the NWT Water Board can decide on the renewal of licence N7L1-1762.

The application for renewal of licence N7L1-1762 is classified under a miscellaneous water licence, therefore you have to pay, in accordance with paragraph 9 (1)(b), the water use fees (\$30.00) for the right to the use of water for the first year. Please send the water use fees cheque (\$30.00), payable to the Receiver General, to the NWT Water Board at your earliest convenience.

If you have any questions or comments please contact Mike Harlow via e-mail at harlowm@nwtwb.com or by telephone at 867-678-8609.

Sincerely,

Eddie Dillon
Chairperson
NWT Water Board

Attached : Licence renewal cover page

Copy to: Water Resources Division, INAC, Yellowknife, NT
District Manage, North Mackenzie District, INAC, Inuvik, NT

NORTHWEST TERRITORIES WATER BOARD

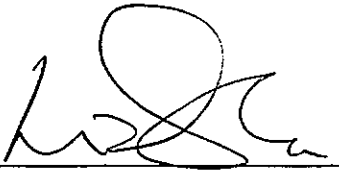
Pursuant to the *Northwest Territories Waters Act* and Regulations the Northwest Territories Water Board, hereinafter referred to as the Board, hereby grants to

SHELL CANADA LIMITED
(Licensee)
400- 4 Avenue S.W.
P.O. Box 100, Station M
of CALGARY, ALBERTA T2P 0J4
(Mailing Address)


hereinafter called the Licensee, the right to alter, divert or otherwise use water subject to the restrictions and conditions contained in the *Northwest Territories Waters Act* and Regulations made thereunder and subject to and in accordance with the conditions specified in this Licence.

Licence Number	<u>N7L1-1762 (AMENDMENT)</u>
Licence Type	<u>"B"</u>
Water Management Area	<u>NORTHWEST TERRITORIES 07</u>
Location	<u>Within a two kilometre radius of Latitude 69°12'30" N. Longitude 135°06'04" W. MACKENZIE RIVER DELTA, N.W.T</u>
Purpose	<u>TO USE WATER AND DISPOSE OF WASTE FOR MUNICIPAL UNDERTAKINGS AND ASSOCIATED USES</u>
Description	<u>OIL AND GAS EXPLORATION</u>
Quantity of Water Not To Be Exceeded	<u>150 CUBIC METRES DAILY</u>
Effective Date of Licence	<u>NOVEMBER 1ST, 2005</u>
Expiry Date of Licence	<u>JANUARY 31ST, 2011</u>

This Licence issued and recorded at Yellowknife includes and is subject to the annexed conditions.


Witness

NORTHWEST TERRITORIES WATER BOARD


Chairperson (Eddie Dillon)