

WATER LICENCE: N7L1-1762

January 25th, 2011

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:

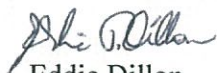
Re: Amendment of Water Licence N7L1-1762

This letter is to inform you that at a January 25th, 2011 teleconference meeting of the Northwest Territories Water Board (NWTWB), the NWTWB evaluated Shell Canada Ltd's water licence N7L1-1762 which is due to expire on January 31st, 2011. Below you will find a summary of the decision made by the NWTWB concerning this licence.

- The expiry date of licence N7L1-1762 was amended to June 30th, 2011 to make sure the licensing process is completed before the NWT Water Board can decide on the renewal of licence N7L1-1762.

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,

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

Eddie Dillon
Chairperson
NWT Water Board

Attached : Licence renewal cover page

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

NORTHWEST TERRITORIES WATER BOARD

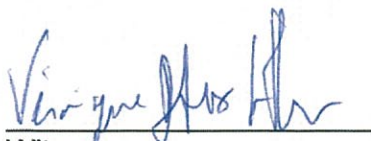
Pursuant to the *Northwest Territories Waters Act* and Regulations the Northwest Territories Water Board, hereinafter referred to as the Board, hereby grants to

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>JUNE 30th, 2011</u> |

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


Witness

NORTHWEST TERRITORIES WATER BOARD


Chairperson (Eddie Dillon)