



INDUSTRIAL WATER USE INSPECTION REPORT
(OIL AND GAS EXPLORATION, PRODUCTION, PROCESSING AND REFINING)

DATE:	JANUARY 7, 2002.	COMPANY REP:	HIDEAKI TAKAHASHI / ED PERCO
LICENSEE:	JAPEX CANADA LIMITED MALLIK 3L-3A.	LICENCE NUMBER:	N7L1-1769.

WATER SUPPLY:

Source:	CHANNEL JUST EAST OF WELLSITE	Quantity Used:	REFER TO RECORDS.	Meter Rdg:	BY TRUCKLOAD.
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Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I - Not Inspected

Intake Facilities ^{SEE VIOLATION}	U	Storage Structures	A	Treatment Systems	A	Recycling	N/A
Flow Meas. Device	A	Conveyance Lines	A	Pumping Stations	A	Modifications	N/A

Comments: THERE WAS NO SCREEN ON THE WATER INTAKE. M.D.I.O.S. AND EGT FROM TUK ARE THE WATER DELIVERY CONTRACTORS.

WASTE DISPOSAL:

Well Wastes:	Drilling Sump	A	Off-Site Removal	N/A	Downhole	N/A	Landspread	N/A
Sewage:	Sewage Treat.	A	Camp Sump	A	Natural Water Body	N/A	Wetlands Treat.	N/A
	Continuous	A	Inter. Discharge	N/A				
Solid Waste:	Open Dump	N/A	Landfill	N/A	Burn ^{INCINERATOR} & Bury	A	Sludge Disposal	N/I

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I - Not Inspected

Discharge Quality	N/A	Conveyance Lines	N/A	Disch. Meas. Dev.	A	Freeboard	A
Decant Process	N/A	Sump Treatment	N/A	Dykes, Berms	A	Seepages	N/A
Sump Liners	NATURAL	Runoff Diversion	N/A	Erosion	N/A	Spills	NONE REPORTED.

Effluent Discharge Rate:	PUMP RATE.	SNP Samples Collected:	YES. LICENSEE HAS SAMPLED SNP 174-2.
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Comments: THERE IS PRIMARY SETTLING OF SEWAGE AND GREYWATER PRIOR TO ENTERING THE CAMP SUMP. NHN-COMPLETES ARE TAKEN TO TUK SUDS. IT IS UNCLEAR WHAT THE LICENSEE INTENDS TO DO WITH THEIR SLUDGE, THE LICENSEE WAS ASKED TO PROVIDE THIS INFORMATION.

GENERAL CONDITIONS:

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I - Not Inspected

Maintenance	A	Records & Reporting	A	Surveillance Network Program (SNP)	A
Geotechnical Inspection	N/A	Posting of Facilities	N/A	Contingency Plan	UNDER REVIEW.
A & R Plan	N/A	Modifications	N/A	Fuel/Product Storage	A
Groundwater Discharge	N/A	Chemical Storage	A	Annual Report	DUE MARCH 31, 2002.

Comments: THE LICENSEE'S QA/QC PLAN IS DUE JANUARY 31, 2002. THE LICENSEE WAS ASKED TO INCLUDE ANY WATER LICENSE RELATED INFORMATION WITH THEIR DAILY REPORTING.

Violation(s) of Act and/or Licence: VIOLATION(S): PART C, ITEM 3: THERE WAS NO WATER INTAKE SCREEN.

General Comments: THE LICENSEE HAD JUST FINISHED DRILLING THE FIRST OBSERVATION WELL (17B M.T.O.) AND IN THE PROCESS OF MOVING THE RIG TO THE 2ND OBSERVATION WELL AT THE TIME OF THIS INSPECTION. THE LICENSEE WAS REMINDED TO SEND SNP DATA WITHIN 30 DAYS OF MONTH REPORTING. THE LICENSEE REP AT TIME OF THIS INSPECTION WAS FRANK THE MEDIC.

Additional Comments Attached:	Yes	No	X
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Inspector's Signature:

[Handwritten Signature]

Licensee Representative's Title:

Manager, JAPEX

Inspector's Title:

WATER RESOURCES OFFICER

Licensee Representative's Signature:

NOT AVAILABLE. *[Handwritten Signature]*