

NORTHWEST
TERRITORIES
WATER BOARD



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WATER REGISTER: N7L1-1772

November 30, 2001

Ms Delona Butcher
Land Representative
Mackenzie Delta Project Team
Chevron Canada Resources
500 - 56 Avenue S.W.
CALGARY, AB T2P 0L7

Dear Ms Butcher:

ISSUANCE OF A "B" TYPE LICENCE

Attached is a duplicate of Licence No. N7L1-1772 granted to Chevron Canada Resources by the Northwest Territories Water Board in accordance with the *Northwest Territories Waters Act*. The other original of this Licence has been filed with the Department of Indian Affairs and Northern Development in Yellowknife, Northwest Territories.

Also attached are general procedures for the administration of licences in the Northwest Territories. I request that you review these and address any questions to the Board's office.

In conclusion, please be advised that this letter with attached procedures, all inspection reports, and correspondence related thereto are part of the public Water Register, and are intended to keep all interested parties informed of the manner in which the Licence requirements are being met. All Water Register material will be considered when the Licence comes up for renewal or amendment.

The full cooperation of Chevron Canada Resources is anticipated.

Sincerely,

Gordon Wray
Chairman

N.W.T. Water Board

Attachments

P.O. Box 1500, Yellowknife, NT, X1A 2R3, 2nd Floor Goga Cho Building
Phone: (867) 669-2772 Fax: (867) 669-2719

**GENERAL PROCEDURES FOR THE ADMINISTRATION OF LICENCES
ISSUED UNDER THE NORTHWEST TERRITORIES WATERS ACT
IN THE NORTHWEST TERRITORIES**

1. At the time of issuance, a copy of the Licence is placed on the Water Register in the Office of the Northwest Territories Water Board in Yellowknife, and is then available to the public.

2. To enforce the terms and conditions of the Licence, the Minister of Indian Affairs and Northern Development has appointed Inspectors in accordance with Section 35(1) of the *Northwest Territories Waters Act*. The Inspectors coordinate their activities with officials of the Water Resources Division of the Department of Indian Affairs and Northern Development. The Inspector responsible for Licence No. N7L1-1772 is located in the North Mackenzie -Inuvik District Office.

3. To keep the Water Board and members of the public informed of the Licensee's conformity to Licence conditions, the Inspectors prepare reports which detail observations on how each item in the Licence has been met. These reports are forwarded to the Licensee with a covering letter indicating what action, if any, should be taken. The inspection reports and covering letters are placed on the public Water Register, as are any responses received from the Licensee pertaining to the inspection reports. It is therefore of prime importance that you react in all areas of concern regarding all inspection reports so that these concerns may be clarified.

4. If the renewal of Licence No. N7L1-1772 is contemplated it is the responsibility of the Licensee to apply to the Water Board for renewal of the Licence. The past performance of the Licensee, new documentation and information, and points raised during a public hearing, if required, will be used to determine the terms and conditions of any Licence renewal. Please note that if the Licence expires and another has not been issued, then water and waste disposal must cease, or you, the Licensee, would be in contravention of the *Northwest Territories Waters Act*. It is suggested that an application for renewal of Licence No. N7L1-1772 be made at least eight months in advance of the Licence expiry date.

5. If, for some reason, Licence No. N7L1-1772 requires amendment, then a public hearing may be required. You are reminded that applications for amendments should be submitted as soon as possible to provide the Water Board with ample time to go through the amendment process. The process may take up to six (6) months or more depending on the scope of the amendment requested.

6. Specific clauses of your Licence make reference to the Board, Analyst or Inspector. The contact person, address, phone and fax number of each is:

BOARD: Executive Assistant
Northwest Territories Water Board
Box 1500
YELLOWKNIFE, NT X1A 2R3
Phone No: (867) 669-2772
Fax No: (867) 669-2719

ANALYST: Analyst
Water Laboratory
Northern Affairs Program
Department of Indian Affairs
and Northern Development
Box 1500, 4601 - 52nd Avenue
YELLOWKNIFE, NT X1A 2R3
Phone No: (867) 669-2780
Fax No: (867) 669-2718

INSPECTOR: Inspector
North Mackenzie-Inuvik District Office
Northern Affairs Program
Department of Indian Affairs
and Northern Development
P.O. Box 2100
INUVIK, NT X0E 0T0
Phone No: (867) 777-3361
Fax No: (867) 777-2090

7. Your Licence requires a security deposit be submitted. The contact person, address, phone and fax number of the individual administering security deposits is:

Office Co-ordinator
Water Resources Division
Northern Affairs Program
Indian and Northern Affairs Canada
Box 1500
YELLOWKNIFE, NT X1A 2R3

Phone No: (867) 669-2754
Fax No: (867) 669-2716

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

CHEVRON CANADA RESOURCES
(Licensee)
500 - 5 Avenue S.W.
of CALGARY, ALBERTA T2P 0L7
(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>N7L1-1772</u>
Licence Type	<u>"B"</u>
Water Management Area	<u>NORTHWEST TERRITORIES 07</u>
Location	<u>Ellice, Mallik and North Langlely Latitude 69°00'00" to 69°45'00" N. and Longitude 134°13'00" to 136°05'00" W. NORTHWEST TERRITORIES</u>
Purpose	<u>TO USE WATER AND DISPOSE OF WASTE FOR INDUSTRIAL UNDERTAKINGS</u>
Description	<u>OIL AND GAS EXPLORATION</u>
Quantity of Water Not to be Exceeded	<u>100 CUBIC METRES DAILY</u>
Effective Date of Licence	<u>DECEMBER 1, 2001</u>
Expiry Date of Licence	<u>DECEMBER 31, 2002</u>

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


Witness

NORTHWEST TERRITORIES WATER BOARD


Chairman

PART A: SCOPE AND DEFINITIONS

1. Scope

- a) This Licence entitles Chevron Canada Resources to use water and dispose of waste for industrial undertakings in the Mackenzie Delta for the Ellice, Mallik, and North Langley Winter 2001/2002 Seismic Program and sleigh mounted camp located at Latitude 69°00'00" to 69°45'00" N., and Longitude 134°10'00" to 136°05'00" W., Northwest Territories;
- b) This Licence is issued subject to the conditions contained herein with respect to the taking of water and the depositing of waste of any type in any waters or in any place under any conditions where such waste or any other waste that results from the deposits of such waste may enter any waters. Whenever new Regulations are made or existing Regulations are amended by the Governor in Council under the *Northwest Territories Waters Act*, or other statutes imposing more stringent conditions relating to the quantity or type of waste that may be so deposited or under which any such waste may be so deposited this Licence shall be deemed, upon promulgation of such Regulations, to be automatically amended to conform with such Regulations; and
- c) Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. Definitions

In this Licence: **N7L1-1772**

"**Act**" means the *Northwest Territories Waters Act*;

"**Analyst**" means an Analyst designated by the Minister under Section 35(1) of the *Northwest Territories Waters Act*;

"**Board**" means the Northwest Territories Water Board established under Section 10 of the *Northwest Territories Waters Act*;

"**Greywater**" means all liquid wastes from showers, baths, sinks, kitchens and domestic washing facilities, but does not include toilet wastes;

"**Inspector**" means an Inspector designated by the Minister under Section 35(1) of the *Northwest Territories Waters Act*;

"Licensee" means the holder of this Licence;

"Minister" means the Minister of Indian Affairs and Northern Development;

"Modification" means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does include an expansion;

"Project Description" refers to the report titled "Project Description for the Proposed Chevron Canada Resources Winter 2001/2002 Ellice and Mallik Seismic Program", and dated August 2001 prepared by Inuvialuit Environmental & Geotechnical Inc.;

"Toilet Wastes" mean all human excreta and associated products, but does not include greywater;

"Regulations" mean Regulations proclaimed pursuant to Section 33 of the *Northwest Territories Waters Act*;

"Waste" means waste as defined by Section 2 of the *Northwest Territories Waters Act*; and

"Waters" mean waters as defined by Section 2 of the *Northwest Territories Waters Act*.

PART B: GENERAL CONDITIONS

1. The Licensee shall file a Final Report with the Board not later than March 31st of the year following the calendar year reported which shall contain the following information:
 - a) the total quantity in cubic metres of fresh Water obtained from all sources;
 - b) the total quantities in cubic metres of each and all Waste discharged;
 - c) a list of any spills and unauthorised discharges; and
 - d) any other details on Water use or Waste disposal requested by the Board within forty-five (45) days before the annual report is due.

2. Meters, devices or other such methods used for measuring the volumes of Water used and Waste discharged shall be installed, operated and maintained by the Licensee to the satisfaction of an Inspector.
3. Prior to the use of Water for industrial undertakings or the disposal of Waste and pursuant to Section 17(1) of the *Act* and Section 12 of the Regulations, the Licensee shall have posted and shall maintain a security deposit of One Hundred Thousand (\$100,000.00) Dollars in a form suitable to the Minister.
4. The Licensee shall ensure a copy of this Licence is maintained at the site of operation at all times.

PART C: CONDITIONS APPLYING TO WATER USE

1. The Licensee shall obtain Water from the Mackenzie River as described in the Project Description or as otherwise approved by an Inspector.
2. The daily quantity of Water used for all purposes shall not exceed 100 cubic metres.
3. The Water intake hose used on the Water pumps shall be equipped with a screen with a mesh size sufficient to ensure no entrainment of fish.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

1. The Licensee shall direct all Greywater to the Greywater steamer as described in the Project Description, with the produced sludge disposed of at an approved landfill or as otherwise approved by an Inspector. Any excess Greywater shall be directed to an approved site or as otherwise approved by an inspector.
2. The Licensee shall ensure that all Toilet Wastes are disposed of in the manner described in the Project Description, with the resulting ash disposed of at an approved landfill or as otherwise approved by an Inspector.

3. The Licensee shall dispose of all solid Wastes in a manner acceptable to the Inspector.

PART E: CONDITIONS APPLYING TO STREAM AND WATER BODY CROSSINGS

1. The Licensee shall ensure that only clean snow is used on all stream or Water body crossings and that no debris is left on the surface of the crossings.
2. Stream or Water body crossings shall be notched or removed before spring break-up to facilitate natural flow.
3. The removal of naturally occurring material from the bed or banks of any stream or Water body below the ordinary high water mark is not permitted.

PART F: CONDITIONS APPLYING TO MODIFICATIONS

1. The Licensee may, without written approval from the Board, carry out Modifications to the planned undertakings provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a) the Licensee has notified an Inspector in writing of such proposed Modifications at least five (5) days prior to beginning the Modifications;
 - b) such Modifications do not place the Licensee in contravention of either this Licence or the *Act*;
 - c) an Inspector has not, during the five (5) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than five (5) days; and
 - d) an Inspector has not rejected the proposed Modifications.
2. Modifications for which all of the conditions referred to in Part F, Item 1 have not been met may be carried out only with written approval from an Inspector.

3. The Licensee shall provide to the Board as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modifications.

PART G: CONDITIONS APPLYING TO CONTINGENCY PLANNING

1. Prior to commencement of operations the Licensee shall submit to the Board for approval, a Contingency Plan in accordance with the Board's "Guidelines for Contingency Planning, January 1987", or subsequent edition.
2. The Licensee will maintain a copy of the Emergency Response Plan onsite in a readily available location, to the satisfaction of an Inspector.
3. The Licensee shall ensure that petroleum products, hazardous material and other Wastes associated with the project do not enter any Waters.
4. The Licensee shall ensure that all containment berms are constructed of an impermeable material, to the satisfaction of an Inspector.
5. If, during the period of this Licence, an unauthorized discharge of Waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a) report the incident immediately via the 24 Hour Spill Report Line (867) 920-8130; and
 - b) submit to an Inspector a detailed report on each occurrence not later than thirty (30) days after initially reporting the event.

NORTHWEST TERRITORIES WATER BOARD


Witness


Chairman