



**Indian and Northern
Affairs Canada**

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North Mackenzie District
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Inuvik, NT

**Affaires Indiennes
et du Nord Canada**

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Telephone: 867-777-8900
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September 9, 2009

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

Attn: Mike Harlow, Executive Director

RE: Industrial Water Use (N7L1-1824)

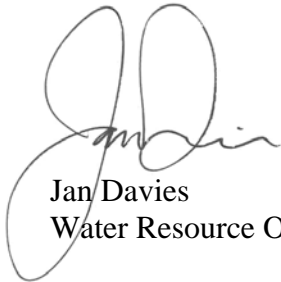
Dear Mr. Harlow,

Please find the enclosed Inspection Report for your review and/or records.

An electronic copy (un-editable Adobe pdf.) has also been provided by e-mail.

If you have any questions/concerns regarding the enclosed, and/or if additional information is required, please do not hesitate to contact me at (867) 777-8909.

Sincerely,



Jan Davies
Water Resource Officer

Cc: Conrad Baetz, District Manager, North Mackenzie District, Inuvik, NT

Enclosure: Industrial Inspection/Audit Report and Cover Letter (3 pages)



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September 9, 2009

Contaminates & Remediation Directorate
PO Box 1500 4920 52nd St
4th Floor Precambrian Building
Yellowknife, NT, X1A2R3

Attn: Katherine Silcock

RE: Industrial Water Use (N7L1-1824)

Dear Ms. Silcock,

An inspection was conducted of the Johnson Point Site Remediation/Clean-up on August 21, 2009. Enclosed is a copy of the Industrial Water Use Inspection Report.

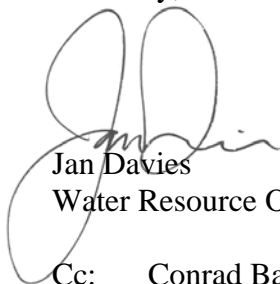
I am pleased to indicate that there were no violations during this inspection period.. However, there are concerns as indicated in the enclosed Inspection Report that are to be reviewed and addressed.

While the cleanup of the Johnson Point site has progressed enabling the remediation of surface contamination, there remains much deeper subsurface contamination in certain areas. It is understood that this contamination was exposed during excavation, therefore continued monitoring is needed of these areas to ensure the contamination does not migrate and affect surrounding areas.

This report will be sent to the Northwest Territories Water Board for their review/records.

If you have any questions, please contact me at 867 777-8909.

Sincerely,



Jan Davies
Water Resource Officer

Cc: Conrad Baetz, District Manager, North Mackenzie District, Inuvik, NT

Enclosure: Industrial Inspection/Audit Report (2 pages)



INDUSTRIAL WATER USE INSPECTION REPORT

DATE:	August 21, 2009	COMPANY REP:	Katherine Silcock
LICENCEE:	Contaminates & Remediation Directorate	LICENCE #:	N7L1-1824

WATER SUPPLY

Source:	Unnamed River	Quantity Used:	<20 m ³	Meter Rdg:	N/A
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Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Intake Facilities	A ¹	Storage Structures	A	Treatment Systems	A	Recycling	N/I
Flow Meas. Device	A	Conveyance Lines	A	Pumping Stations	A	Modifications	N/A

Comments:

- Water intake has fuel storage container in drip tray with pump. Fuel should be stored in separate drip tray to prevent any cross contamination of water that might be generated from the pump while in operation. Ensure fuel for the pump is stored safe distance from the river's edge.

WASTE DISPOSAL

Well Waste	Off-Site Removal	N/A	Drilling Sump	N/A	Downhole	N/A	Land spread	N/A
Tailings:	Tailings Pond	N/A	Natural Lake	N/A	Under ground	N/A		
Sewage:	Sewage Treat. System	✓	Tailings pond	N/A	Natural Water Body	N/A		
	Continuous Discharge	✓	Inter. Discharge	N/A				
Solid Waste:	Open Dump	N/A	Landfill	A	Burn & Bury	A	Under ground	N/A

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

Discharge Quality	A	Conveyance Lines	A ¹	Disch. Meas. Dev.	A	Freeboard	A
Decant Structures	A	Pond Treatment	N/A	Dams, Dykes	A	Seepages	A
Dyke Inspections	N/A	Runoff Diversion	N/A	Erosion	A	Spills	A ²

Effluent Discharge Rate:	10 to 15m ³ /day	Samples Collected:	As per Water Licence Criteria
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Comments:

- Some leakage in front of incinerator from the connection of the grey water discharge line and should be repaired.
- Spillage of fuel from generator and/or fillup spout. Stained soil below needs to be cleaned up. The leak needs to be repaired and/or future spillage needs to be prevented with drip trays etc.

GENERAL CONDITIONS

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

Ore & Waste Rock Stockpiles	N/A	Records & Reporting	A	Surv. Net. Prog.	A
Geotechnical Inspection	N/A	Posting, Signage	N/A	Contingency Plan	A ¹
Restorations Activities	A ³	New Construction	N/A	Fuel Storage	A ²
Mine Water Discharge	N/A	Chemical Storage	N/I	Annual Report	A


Comments:

- Spill contingency plan was on site but was not posted as per Water Licence Criteria. Since the inspection it is understood this issue has been addressed.
- Dripping fuel connection on main fuel storage tank, drip tray is present. Leaking connection should be repaired to prevent potential future spillage from drip tray.
- Hydrocarbon contaminated soil was in the process of being removed but excavations and testing have revealed it extends deeper below the ground surface than originally anticipated. Further excavation of the deeper contaminated soil

was discontinued based on the ability to properly delineate it's extent due to equipment restrictions on site. Water monitoring wells and thermistors are being installed to monitor the existing contamination as cleanup/excavation was limited. Surficial contamination will continue to be excavated/cleaned up as originally planned.

Violations of Act of Licence: N/A

Inspector's Signature:



A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be 'J. J. J.' or similar, with large loops and a trailing flourish.