

May 12, 2017

Grahame Bensted
Decommissioning, Abandonment and Reclamation Supervisor
Shell Canada Energy
400 - 4th Avenue S.W.
P.O. Box 100, Station M
Calgary, AB T2P 2H5

Dear Mr. Bensted:

Re: N7L1-1834 - Shell Canada Energy, Camp Farewell and Stockpile Site

The Inuvialuit Water Board (IWB) would like to remind Shell Canada that the Annual Report as required by Part B: General Conditions, Item 1 was due on March 31st, 2017 for the calendar year January 1 to December 31, 2016. To date no report has been received. The IWB also remind Shell Canada of the IWB correspondence dated February 3, 2017 regarding the Environment and Natural Resources Inspection Report of January 24, 2017 (Inspection Date - August 15, 2016) which states:

"MATTERS FOR FOLLOW UP: 2016 Annual Report including an outline of the activities planned for 2017."

The term of the water licence N7L1-1834 expires on July 17, 2017, therefore, if remediation and final abandonment related activities are planned beyond the term of the existing water licence, the IWB require an application for an extension of the term of the existing water licence and include the remediation and final abandonment related activities for Summer 2017. The IWB appreciates the cooperation of Shell Canada Energy in complying with the Terms and Conditions of the Licence. A copy of this letter, including all related correspondence, will be placed on the IWB Public Register.

Should you have questions or concerns, please contact me at 867- 678-8610 or adhikarib@inuvwb.ca or Mardy Semmler, Executive Director, at 867-678-8609 or semmlerm@inuvwb.ca.

Sincerely,

Bijaya Adhikari, PhD

Science and Regulatory Coordinator

cc: Lloyd Gruben, Water Resources Officer - ENR Inuvik

Inuvialuit Water Board, 125 Mackenzie Road - Professional Building - Suite 302,