

Telephone: 867-678-8090 ext. 24656
Fax: 867-777-2090

July 6, 2026

Shell Canada Ltd.
Suite 4000, 500 Center Street SE
Calgary, AB
T2G 1A6

Attention: Kyle Thompson

File Number N7L1-1831
Type of Operation CLASS B - INDUSTRIAL
Location Arvoknar Channel

Kyle Thompson,

I conducted an inspection of the above noted operation on June 30, 2026. The inspection was undertaken to assess compliance with the terms and conditions of expired Water Licence N7L1-1831 and to determine whether any outstanding concerns remain that would warrant retention of the associated security. Based on the site inspection and file review, no issues of concern were identified in relation to activities authorized under Water Licence N7L1-1831. There is no evidence of non-compliance with the terms and conditions of the licence, nor are there any known outstanding matters requiring further action under that authorization.

Accordingly, I recommend that the security associated with expired Water Licence N7L1-1831 be returned to the licensee.

This recommendation relates solely to Water Licence N7L1-1831 and its associated security. Remediation activities and regulatory oversight at the site continue under Water Licence N5L8-1848. The return of security for Water Licence N7L1-1831 does not relieve the licensee of any ongoing obligations, liabilities, monitoring requirements, or responsibilities associated with the site. Any such obligations remain subject to the requirements of Water Licence N5L8-1848 and any other applicable authorizations and legislation.

Enclosed is a copy of the Industrial Water Use Inspection Report.

If you have any questions, please contact me at 867-678-8090 ext. 24656.

Sincerely,



Jozef Carnogursky
Manager, Resource Management (Inspector)
Environment and Climate Change (ECC)
Land and Water Division
Inuvik, NT.

Cc: Inuvialuit Water Board
Donald Arey, Superintendant-ECC-Land and Water, Inuvik NT.

LICENCE #:	N7L1-1831	EXPIRY DATE:	September 30, 2013
LICENCEE:	Shell Canada Ltd.	PREVIOUS INSPECTION:	July 31, 2014
COMPANY REP:	Kyle Thompson	INSPECTION DATE:	June 30, 2026

WATER SUPPLY

Source:	Arvoknar Channel	Quantity Used:	N/A
Owner/Operator:	Shell Canada Ltd.	Meter Reading:	N/A

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

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

Water Supply Comments:
All aspects were satisfactory at the time of inspection.

WASTE DISPOSAL - WELL WASTE

Disposal Method		Off site removal							
Off-Site Removal	Y	Drilling Sump	N	Downhole Injection	N	Treat and Lands pread	N	Other	

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

Sump Liners	N/A	Sump Treatment	N/A	Freeboard	N/A
Erosion	N/A	Construction	N/A		
SNP Samples Collected	No samples taken				

Well Waste Comments:
Piles previously identified have been removed.

WASTE DISPOSAL - SOLID WASTE

Disposal Method		Hauled off site					
Open Dump	N	Landfill	N	Burn & Landfill	N	Underground	N
Offsite Removal	Y	Other	Removed to an approved facility.				

Owner / Operator	Shell Canada Ltd.
------------------	-------------------

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

Runoff Diversion	N/A	SNP Samples Collected	N/A
------------------	-----	-----------------------	-----

Solid Waste Comments:

Piles previously identified have been removed from site and hauled to an approved facility for disposal.

GENERAL CONDITIONS/REPORTS/PLANS

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

C &R Plan	N/A	Records & Reporting	N/I	Final Report	N/I
Geotechnical Inspection	N/A	Posting, Signage	N/I	Contingency Plan	A
Restorations Activities	A	Spills	N/A	O&M Plan	N/I
Maintenance	N/A	Modifications	N/A	Annual Report	N/A

General Condition Comments:

The inspection of expired Water License N7L1-1831 occurred to determine whether any outstanding concerns remain that would warrant retention of the associated security. Remediation activities and regulatory oversight at the sight will continue under Water License N5L8-1848.

I recommend that the security associated with expired Water Licence N7L1-1831 be returned to the licensee.

Inspector’s Signature:



INSPECTION IMAGES

Figure 1



Figure 2



Figure 3



Figure 4

