



July 31, 2026

Terence Hughes  
Regulatory and Community Affairs Advisor  
MGM Energy  
Suite 4700, 888 3<sup>rd</sup> Street SW  
Calgary, Alberta T2P 5C5

Dear Mr. Hughes:

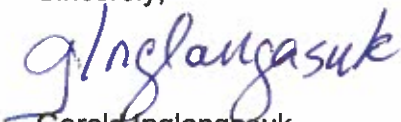
**RE: N5L1-1845 MGM Energy – Oil & Gas Exploration Well Abandonment Program:  
Langley K-30, Langley E-07 and Kumak I-25 - Inuvialuit Settlement Region, NWT**

The Inuvialuit Water Board (IWB) is pleased to attach Water Licence N5L1-1845 (the Licence) to MGM Energy – Oil and Gas Exploration Well Abandonment Program for a term of six (6) years commencing July 31, 2026 and expiring July 30, 2032. Included are the Terms and Conditions applying to the Licence and the General Procedures for the Administration of Licences in that Portion of the Inuvialuit Settlement Region located in the Northwest Territories. Please review the Licence, the Terms and Conditions and the General Procedures and address any questions to the IWB.

The Security Deposit required for this project is six hundred thousand dollars (\$600,000.00), as specified by Part B, Item 9 of the licence. Please deposit this amount with the Government of the NWT (GNWT) in a form satisfactory to the GNWT Environment and Climate Change (ECC) Minister and provide proof of deposit to the IWB. The GNWT contact in this regard is Rick Walbourne, ECC Director - Regulatory and Permitting Division, telephone and email contact information include: 867-767-9234 Ext. 53113 or at Rick\_Walbourne@gov.nt.ca. The Security Deposit is to be made payable to the GNWT.

A copy of the Licence and all documentation associated with the application and issuance of the Licence has been filed in the IWB Public Register. Copies are available at the IWB office and on the IWB website. All inspection reports and other documentation related to the Licence will also be filed in the Public Register and will be considered if an amendment to the Licence is requested. The IWB appreciates the cooperation of MGM Energy in complying with the Terms and Conditions of the Licence. Should you have questions or concerns regarding this correspondence or the Licence, please contact Mardy Semmler, Executive Director at 867-678-8609.

Sincerely,

  
Gerald Inglangasuk  
Chairperson

Attachments:

Copied to: Jozef Carnogursky, Manager, Resource Management (Inspector) - GNWT ECC  
Beaufort Delta Region, Inuvik



## INUVIALUIT WATER BOARD

Pursuant to the *Waters Act* and Waters Regulations, the Inuvialuit Water Board, hereinafter referred to as the Board, hereby grants to

### **MGM Energy**

Suite 4700, 888 3<sup>rd</sup> Street SW  
Calgary, Alberta T2P 5C5  
(Mailing Address)

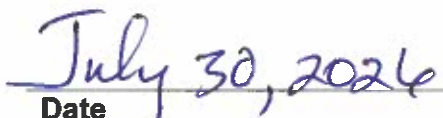
hereinafter called the Licensee, the right to alter, divert or otherwise use water and deposit waste as provided for under the *Waters Act* and Waters Regulations and subject to and in accordance with the Terms and Conditions specified in this Licence.

|                                             |                                                                                                                                                                                                   |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Licence Number</b>                       | N5L1-1845                                                                                                                                                                                         |
| <b>Licence Type</b>                         | "B"                                                                                                                                                                                               |
| <b>Water Management Area</b>                | Northwest Territories - 5                                                                                                                                                                         |
| <b>Location</b>                             | Langley K-30: 69.323530° N and 135.610909° W<br>Langley E-07: 69.271768° N and 135.534208° W<br>Kumak I-25: 69.243447° N and 135.079542° W<br>Inuvialuit Settlement Region, Northwest Territories |
| <b>Purpose</b>                              | Activities associated with the Oil & Gas Exploration Well Abandonment Program: Langley K-30, Langley E-07 and Kumak I-25 - the "Project" – for the use of water and deposit of waste.             |
| <b>Description</b>                          | Industrial Undertaking                                                                                                                                                                            |
| <b>Quantity of Water Not To Be Exceeded</b> | 5,000 cubic metres per day (m <sup>3</sup> /day)                                                                                                                                                  |
| <b>Effective Date of Licence</b>            | July 31 2026                                                                                                                                                                                      |
| <b>Expiry Date of Licence</b>               | July 30, 2032                                                                                                                                                                                     |

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

INUVIALUIT WATER BOARD

  
Chairperson

  
Date

## **PART A: SCOPE AND DEFINITIONS**

### **1. Scope**

- a) This Licence entitles MGM Energy for the use of water and the deposit of waste associated with the Oil & Gas Exploration Well Abandonment Program located in the Inuvialuit Settlement Region (ISR) of the Northwest Territories at three (3) sites which include (1) Langley K-30: Latitude 69.323530° North and Longitude 135.610909° West; (2) Langley E-07: Latitude 69.271768° North and Longitude 135.534208° West; and (3) Kumak I-25: Latitude 69.243447° North and Longitude 135.079542° West.
- b) This Licence is issued subject to the Terms and Conditions contained herein with respect to the use of water and the deposit of waste of any type in any waters or in any place under any condition 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 Commissioner in Executive Council under the *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.
- 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 for which any and all applicable licences and permits shall also be obtained by the Licensee.
- d) This Licence is issued subject to the Conditions contained herein with respect to the use of water and the deposit of waste as prescribed in Section 10 and Section 11 of the *Waters Act*.

### **2. Definitions**

In this Licence: N5L1-1845

**“Act”** means the *Waters Act*, S.N.W.T. 2014, c.18;

**“Amendment”** means a change to any Terms and Conditions of this Licence as provided for under Section 36 (1)(b) of the *Act*;

**“Analyst”** means a person designated as an analyst by the Minister under Section 65 (1) of the *Act*;

**“Approved Waste Disposal Facilities”** mean all facilities approved for the disposal of waste;

**“Board”** means the Inuvialuit Water Board;

**“Closure”** means the permanent dismantlement of the Project for the specific purpose of making it unavailable for its originally intended use. This includes the removal of associated equipment and structures used in the construction or maintenance of the undertaking;

**“Construction”** means any activity initiated to build any component of, or associated with, the Project;

**“Contingency Plan”** means a detailed program of action designed to control and / or minimize the effects of an emergency situation in which prompt corrective measures, beyond normal procedures, are required to protect human life, to minimize injury and / or losses, and to reduce the exposure of physical assets and the receiving environment to risks resulting from an incident;

**“Discharge”** means the approved direct or indirect release of any water or waste into a receiving environment;

**“Earthworks”** are engineered structures that are constructed with or require excavation into one or more of the following unconsolidated materials: waste rock, tailings, overburden, sand, silt, clay, gravel, soil or any other borrow material;

**“Effluent”** all liquid or sewage waste discharged into the environment;

**“Engineer”** means a person registered as a professional engineer with the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists and whose principal field of specialization is appropriate to address the components of the Project;

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

**“Hazardous Wastes”** mean those wastes with properties such as flammability, corrosiveness or inherent toxicity that may pose a variety of risks, from skin damage on contact, to the contamination of ground water, surface water, or soil leaching when improperly treated, stored, transported or disposed of, or otherwise managed;

**“Inspector”** means a person designated by the Minister under Section 65 (1) of the Act;

**“Maximum Average Concentration”** means a running average of any four (4) consecutive analytical results obtained during a single open water season. If less than four (4) analytical results are obtained, then the running average is the average of those samples collected;

**“Minister”** means a duly appointed member of the Government of the NWT (GNWT) Executive Council who is responsible for the Act;

**“Modification”** means an alteration to an existing approved physical structure that forms part of the Project that introduces a new structure or replaces or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;

**“Project”** means the Oil & Gas Exploration Well Abandonment Program: Langley K-30, Langley E-07 and Kumak I-25 to be carried out by MGM Energy as described in the water licence application and associated documents, which includes the Project Description;

**“Receiving Environment”** means, for the purpose of this licence, the natural environment that receives any deposit or discharge of waste, including seepage or runoff, from the Project;

**“Reclamation”** means the process of restoring the project area, as nearly as possible to the same condition as it was prior to the commencement of the licensed activity;

**“Regulations”** means rules and or directives promulgated pursuant to Section 63 of the Act;

**“Remediation”** means the removal, reduction, or neutralization of substances, wastes or hazardous material from the project area in order to prevent or minimize any adverse effects on the environment and public safety now or in the future.

**“Sewage”** means all toilet wastes and greywater;

**“Spill”** see ‘Unauthorized Discharge’;

**“Surveillance Network Program (SNP)”** means a monitoring program, as detailed in Annex 1 of this Licence, requiring environmental sampling and analysis to determine water quality, to assess discharge quality, determine licensee compliance with Licence Terms and Conditions and to assess potential licensee activity impact on the environment;

**“Temporary Hazardous Waste Containment Area”** means a bermed and lined area constructed and maintained for the temporary storage of hazardous wastes, prior to their treatment and / or final disposal;

**“Toilet Wastes”** means all human excreta and associated products, but does not include Greywater;

**“Unauthorized Discharge”** means a spill, a release, discharge or seepage of any waters or waste not authorized under this licence or by an inspector;

**“Waste”** means any substance defined as waste as defined by Section 1 of the *Act*; and

**“Waters”** means any waters as defined by Section 1 of the *Act*.

## **PART B: GENERAL CONDITIONS**

1. The water use fee shall be paid by the Licensee annually in advance of any water use.
2. Prior to beginning the project, the Licensee shall have posted and shall maintain a Security Deposit in the amount of six hundred thousand dollars (\$600,000.00) pursuant to Section 35 of the *Act* and Section 11 of the Waters Regulations. The security deposit shall be maintained until such time as it is refunded by the Minister pursuant to Section 35 of the *Act*.
3. The Licensee shall file an Annual Report with the Board no later than April 30 of each year which shall contain the following information on Project related activities during the prior 12-month period from January 1 to December 31:
  - a) the monthly and annual quantities in cubic metres (m<sup>3</sup>) of fresh water obtained from all sources;
  - b) the monthly and annual quantities in cubic metres (m<sup>3</sup>) of sewage waste disposed of and associated disposal location(s);
  - c) the monthly and annual quantities and types of non-hazardous waste removed from the Project and associated disposal locations;
  - d) the monthly and annual quantities and types of hazardous waste removed from the Project and associated disposal locations;
  - e) the quantities and types of hazardous and non-hazardous waste temporarily stored on site as well as disposal plans for each type of waste;
  - f) the monthly and annual quantities of contaminated soil removed from the Project and associated disposal locations;
  - g) the monthly and annual quantities of contaminated water / snow / ice disposed of and associated disposal locations;
  - h) a summary report which includes all data and information generated under the "Surveillance Network Program (SNP)";
  - i) a description of the reclamation and closure activities completed during the year including time required (e.g., day, weeks, month), number of personnel required, type of equipment required, and outline of all work anticipated for the next year;

- j) the results of all monitoring programs undertaken (e.g., vegetation, erosion, ponding, etc.) including site specific photographs;
  - k) a list and description including location and volumes of all unauthorized discharges and summaries of all associated remediation activities and follow-up action taken;
  - l) a description of any spill training and communications exercises carried out;
  - m) a summary of modifications and / or major maintenance work, related to the Project, that has been initiated and / or completed;
  - n) a description of any updates and / or revisions to any of the following plans:
    - i. Waste Management Plan;
    - ii. Erosion and Sediment Control Plan;
    - iii. Environmental Protection Plan;
    - iv. Spill Contingency Plan; and
    - v. Reclamation, Closure and Monitoring Plan;
4. The Licensee shall comply with the "Surveillance Network Program" annexed to this Licence, and any amendment to the said "Surveillance Network Program" as may be made from time to time, pursuant to the conditions of this Licence.
5. The "Surveillance Network Program" and compliance dates specified in the Licence may be modified at the discretion of the Board.
6. Any meters, devices or other such methods used for measuring the volumes of water used or waste disposed of and / or discharged shall be installed, operated and maintained by the Licensee to the satisfaction of the inspector.
7. The Licensee shall ensure a copy of this Licence is maintained at the Project site at all times.
8. The Licensee shall, at a minimum, implement all of the policies, practices, mitigation measures, recommendations and procedures for the protection of the environment referred to in its application, Project Description and other documents submitted regarding the Project. All Project staff shall be provided with appropriate advice / training on how to implement these policies, practices, mitigation measures, recommendations and procedures.
9. The Licensee shall ensure that all contractors and sub-contractors conform to all Terms and Conditions of this Licence.
10. The Licensee shall operate in accordance with any plans approved pursuant to the Conditions of this Licence and with any revisions to such plans, as may be made from time to time, pursuant to the Conditions of this Licence and as approved by the Board. If any plan is not approved by the Board, the Licensee shall revise the plan according to the Board's direction and re-submit it to the Board for approval.
11. All revised and / or updated plans shall be submitted to the Board prior to implementation and shall include a brief summary of the changes made (including page numbers, sections) to the plan. The Board shall within thirty (30) business days approve or reject the revisions and / or updates.
12. In a form acceptable to the Board, the Licensee shall submit two (2) copies of all reports, plans, maps and drawings in printed format accompanied by two (2) electronic copies (USBs).



**PART C: CONDITIONS APPLYING TO WATER USE**

1. The Licensee shall obtain water from the Mackenzie River, associated channels, and suitable lakes as approved by the inspector.
2. The Licensee may obtain water from an alternate water source for use on an emergency basis upon approval of the inspector when it is not possible to obtain water from a water source as stated in Part C, Item 1.
3. The quantity of water used for all purposes from water sources combined shall not exceed a total volume of 5,000 cubic metres per day (m<sup>3</sup> / day).
4. The Licensee shall install meters or other such methods to measure the withdrawal of water to the satisfaction of the inspector.
5. The Licensee shall maintain water uptake logs for all utilized sources. The water uptake logs shall include the following information: identification of water source, volume of water withdrawn in cubic metres, cumulative uptake per source, time and date of water withdrawal as well as the name of the involved contractor and employee.
6. To establish the winter water withdrawal limit, the Licensee shall comply with the criteria set out in the "DFO Protocol for Winter Water Withdrawal from Ice-covered Waterbodies in the Northwest Territories and Nunavut (2010)".
7. At least thirty (30) days prior to the start of the Project, the Licensee shall submit to the Board and the inspector a table identifying each water source intake to be used for water withdrawal, together with a map showing the Global Positioning System (GPS) coordinates, in Degrees, Minutes, and Seconds (DMS), for each water source intake.

**PART D: CONDITIONS APPLYING TO WASTE MANAGEMENT AND DISPOSAL**

1. The Licensee shall manage all wastes, including hazardous wastes, in accordance with the approved Waste Management Plan or as otherwise approved by the Board.
2. The Waste Management Plan as approved by the Board shall be made available to all involved parties throughout the duration of the Project.
3. The Licensee shall utilize food and garbage handling and storage procedures that will minimize the attraction of wildlife. All food waste, recyclables and debris that may attract wildlife shall be stored within sealed animal proof containers until final disposal.
4. At least thirty (30) days prior to the start of the construction, the Licensee shall submit to the Board details and / or plans regarding the proposed incineration of waste, including, but not limited to, the types and estimated volumes of waste to be incinerated, the anticipated incineration rate and frequency, waste storage locations, the make and model of the incinerator, the incinerator location including GPS coordinates in DMS, operating procedures, ash testing methods, ash disposal methods and locations, and the final disposal location for any residual waste.
5. Incineration of non-hazardous combustible waste shall occur in accordance with the applicable regulations and guidelines. The incinerator ash shall be tested, bagged, transported and disposed of at an approved Waste Disposal Facility.

6. At least thirty (30) days prior to the commencement of construction, the Licensee shall submit to the Board technical details of any diesel-fueled evaporators the Licensee intends to use to reduce the volume of contaminated snow and ice prior to transportation and final disposal at an approved Waste Disposal Facility, including but not limited to, the make and model and specifications of the evaporators and a characterization of the potential air emissions.
7. If the Licensee intends to use the camp owned and operated by Shell, the Licensee shall, at least thirty (30) days prior to construction, submit to the Board a letter from Shell confirming authorization for the Licensee to use the accommodations camp and formally accepts and manages all camp-derived waste streams including final disposal of such waste to an approved Waste Disposal Facility.
8. At least thirty (30) days prior to construction, the Licensee shall submit to the Board estimated volumes of sewage (toilet wastes and greywater), storage capacity, haulage frequency to an approved Waste Disposal Facility, maximum storage duration at the site, and contingency measures for haulage interruptions.
9. A copy of third-party agreement(s) or letters between the licensee and third parties to store, transport or dispose of non-hazardous and hazardous wastes (for example: domestic garbage, metals, sewage, hazardous and contaminated water / snow / soil, etc.) generated during the project activities shall be submitted to the Board at least thirty (30) days prior to the beginning of construction including:
  - a) type and quantities of waste, and final disposal location(s); and
  - b) proof of acceptance from third parties.
10. Sewage (greywater and toilet wastes) from the Camps (e.g., sleigh camps, wellsite camps, barge camps, self-contained trailer etc.) and all the hazardous wastes shall be stored on site temporarily to the satisfaction of the inspector and backhauled for disposal at an approved Waste Disposal Facility.
11. At least thirty (30) days prior to the commencement of the Program, the Licensee shall submit to the Board and the inspector a map showing the location of each proposed camps (e.g., sleigh camps, wellsite camps, barge camps and self-contained trailers), including the GPS coordinates in DMS and the capacity of each camp.
12. Floating solids, garbage, grease, free oil, foam or sheen must be disposed of at an approved Waste Disposal Facility.
13. Licensee shall collect all the solid waste generated during project activities and transport to an approved Waste Disposal Facilities for final disposal.
14. The Licensee shall store, segregate and dispose of all on-site garbage and hazardous wastes in a manner acceptable to the inspector.
15. Prior to disposal at an approved Waste Disposal Facility, the Licensee shall segregate and store all hazardous wastes in the Temporary Hazardous Waste Storage Area in a manner acceptable to the inspector.
16. Used oil and waste fuel shall be stored at the Temporary Hazardous Waste Storage Area in accordance with the *Northwest Territories Environmental Protection Act - Used Oil and Waste Fuel Management Regulation* - prior to disposal at an approved Waste Disposal Facility.



17. The Licensee shall remove all waste petroleum products including used oil filters and rags, scrap metal, discarded machinery, parts, drums, barrels or plastics to an approved Waste Disposal Facility.
18. Unless authorized by this Licence, the Licensee shall ensure that any wastes associated with this undertaking do not enter any water body.
19. All wastes associated with the Program shall be handled, stored, transported and disposed of in such a manner that waste is not deposited, or allowed to be deposited, into any waterbody. All materials shall be handled, stored and transported to the satisfaction of the inspector.
20. All hazardous wastes must be handled and managed according to the *Transportation of Dangerous Goods Act*, and Government of the Northwest Territories' Guideline for Hazardous Waste Management (2017) prior to disposal to an approved Waste Disposal Facility.
21. The Licensee shall register as a Generator of Hazardous Waste in the NWT and track the disposal of hazardous waste from the site to Registered Receivers on Hazardous Waste Movement documents. The Licensee shall contact the GNWT Department of Environment and Climate Change (ECC), Regulatory and Permitting Division to register and / or for more information.
22. The Licensee shall notify the inspector, in writing, prior to the shipping of any hazardous wastes.
23. The Licensee shall contain all contaminated soil in such a manner as to minimize the potential for migration of contaminants into any waters to the satisfaction of the inspector. All the contaminated soil shall be transported and disposed of at an approved Waste Disposal Facility.
24. During the open-water season, water from ponded areas at the abandoned well-sites, Langley K-30, Langley E-07 and Kumak I-25, collected at Surveillance Network Program Station Numbers 1845-2, 1845-3 and 1845-4 shall be analysed for the following parameters and the results evaluated against the following standards and background reference water quality:

| Parameter                         | Maximum Concentration of any Grab Sample |
|-----------------------------------|------------------------------------------|
| Benzene                           | 0.110 mg/L                               |
| Toluene                           | 0.002 mg/L                               |
| Ethylbenzene                      | 0.025 mg/L                               |
| Xylene                            | 0.03 mg/L                                |
| Acenaphthene                      | 0.0058 mg/L                              |
| Anthracene                        | 0.000012 mg/L                            |
| Fluoranthene                      | 0.00004 mg/L                             |
| Fluorene                          | 0.003 mg/L                               |
| Naphthalene                       | 0.0011 mg/L                              |
| Phenanthrene                      | 0.0004 mg/L                              |
| Pyrene                            | 0.000025 mg/L                            |
| Benzo[a]anthracene                | 0.000018 mg/L                            |
| Benzo(a)pyrene                    | 0.000015 mg/L                            |
| Total Petroleum Hydrocarbon (TPH) | 5 mg/L                                   |
| Nitrate                           | 3.0 mg NO <sub>3</sub> -N/L              |

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nitrite                      | 0.06 mg NO <sub>2</sub> -N/L                                                                                                                                                                                                                                                                                                                                                                                     |
| Total Lead                   | When the hardness is 0 to ≤ 60 mg/L (CaCO <sub>3</sub> ), the maximum concentration is 0.001 mg/L<br><br>At hardness >60 to ≤ 180 mg/L the maximum concentration is calculated using equation (µg/L): $e^{(1.273[\ln(\text{hardness})]-4.705)}$<br><br>At hardness >180 mg/L (CaCO <sub>3</sub> ), the maximum concentration is 0.007 mg/L. If the hardness is unknown, the maximum concentration is 0.001 mg/L. |
| Total Mercury                | 0.000016 mg/L                                                                                                                                                                                                                                                                                                                                                                                                    |
| Total Suspended Solids (TSS) | 15 mg/L                                                                                                                                                                                                                                                                                                                                                                                                          |
| pH                           | 6 to 9                                                                                                                                                                                                                                                                                                                                                                                                           |

25. Any wastes, including contaminated water and / or snow and ice, generated during the well abandonment program shall be stored in a bermed temporary storage location to the satisfaction of the inspector, prior to off-site disposal at an approved Waste Disposal Facility.

#### **PART E: CONDITIONS APPLYING TO CONSTRUCTION, ON-SITE EXCAVATION AND EARTHWORKS**

1. The Licensee shall undertake necessary corrective measures to mitigate negative impacts on waters resulting from the Licensee's activities to the satisfaction of the inspector. All Project facilities shall be located so as to minimize negative impacts to waters.
2. At least thirty (30) days prior to the commencement of construction, the Licensee shall provide to the Board the names, addresses and functions of all contractors and subcontractors involved in the Project.
3. The Licensee shall not alter or excavate the existing riverbanks to access the site from the river. The access ramp shall be removed once the Project is completed.
4. The excavated area shall be backfilled with clean backfill sources and the backfill sources shall be tested for potential contaminants prior to being used.
5. The Licensee shall construct and operate all components of the Project designed to contain, treat, withhold, divert or retain water or waste in accordance with all applicable federal or territorial legislation.
6. The Licensee shall implement erosion control measures in accordance with the approved Erosion and Sediment Control Plan.
7. The Licensee shall implement and maintain effective erosion and sediment control measures at all Program areas where land disturbance occurs, including well sites, access routes, barge landings, reclamation excavation areas and shoreline work, to mitigate sediment entering into adjacent watercourses and waterbodies. Where applicable, erosion and sediment control measures shall include runoff and flow velocity controls, sediment trapping measures and site stabilization measures to the satisfaction of the inspector.
8. The Licensee shall implement and maintain effective erosion and sediment control measures during the annual spring freshet; inspect all disturbed areas and erosion including the sediment control measures prior to spring melt and throughout the active freshet period

during construction and well abandonment activities; and promptly repair or replace any ineffective measures to the satisfaction of the inspector.

9. The Licensee shall notify the inspector and take necessary corrective action to mitigate any project site erosion problems to the satisfaction of the inspector.
10. For all Project activities, the Licensee shall control siltation or sedimentation downstream of the work area and minimize further erosion to the extent possible utilizing appropriate measures to the satisfaction of the inspector.
11. The Licensee shall ensure that only clean snow and ice are used on all stream or water body crossings and that no debris is left on the surface of the crossings.
12. Stream or water body crossings shall be notched or removed before spring breakup to facilitate natural flow.
13. The removal of naturally occurring material from the bed or banks of the any stream or water body below the ordinary high-water mark is not permitted.
14. The excavated soil / materials shall be stockpiled away from identifiable water bodies to the satisfaction of the inspector.
15. The Licensee shall stabilize and reclaim all on-site excavations and earthwork areas to the satisfaction of the inspector.
16. Equipment used during Project activities shall be mechanically sound and free of leaks. Mechanized clearing of brush, wood and other debris shall not be done within hundred (100) metres of any waterbody or as approved by the inspector.
17. The Licensee shall conduct all the Project activities such as water withdrawal, ice pad construction and operation and maintenance, in a manner that protects fish and fish habitat in accordance with applicable *Fisheries Act* requirements, Fisheries and Oceans Canada (DFO) Codes of Practice and Protocols, including fish-screen requirements, Northwest Territories restricted activity timing windows, and shall ensure that water withdrawals do not result in harmful alteration, disruption or destruction of fish habitat or the death of fish.
18. The Licensee shall not undertake any activity where the use of water or the deposit of waste may destroy, damage or disturb any wildlife, wildlife habitat or wildlife activities throughout the duration of the Project. If an incident occurs with wildlife, the Licensee shall immediately notify the inspector.
19. The licensee shall post a map illustrating the location of emergency services such as first aid stations, critical emergency equipment such as a defibrillator and fire extinguishers, and other emergency services including the name and contact information of first responders and site medics at the appropriate location on the site to the satisfaction of the inspector.
20. If wildlife comes in contact with a spill / pollution incident, the Licensee shall immediately report to the inspector and implement appropriate measures to the satisfaction of the inspector.
21. The Licensee shall implement the Environmental Protection Plan as approved by the Board.
22. The Licensee shall operate any bulk fuel storage facilities in accordance with all applicable federal and territorial legislation and industry standards, including:

- a) Environmental Code of Practice for Aboveground and Underground Storage Tank Systems Containing Petroleum and Allied Petroleum Products (2003); and
  - b) National Fire Code of Canada (2015).
23. Fuel and hazardous materials, lubricants, hydraulic fluids, coolants and similar substances shall be stored in bermed, lined areas to the satisfaction of the inspector, in such a way that said substances are not deposited in or allowed to be deposited in waters and not stored in a water drainage channel.
24. All fuel or storage vessels containing hazardous substances left for extended periods of time (including overnight in vehicles) should be stationed in an area that contains sufficient secondary containment (i.e. drip pans, lined bermed areas, double walled enviro-tanks, etc.) to the satisfaction of the inspector.
25. Personnel shall be trained to ensure that any unauthorized discharge is contained and remediated to the satisfaction of the inspector. In the case that refuelling takes place near water, in-water spill planning shall be considered to prevent inadvertent releases.
26. All heavy equipment and refuelling vehicles must carry portable spill kits that include items such as absorbent pads, containment booms and spill pool catchment receptacles to the satisfaction of the inspector.
27. A dedicated area shall be used for refueling equipment with measures taken to ensure capture and containment of drips and potential spills. The refueling areas shall be bermed and utilize secondary containment to the satisfaction of the inspector.
28. Refueling of equipment with limited mobility shall be refueled above the ordinary high-water mark or as approved by the inspector, and refueling activities shall adhere to the following:
- a) the fuel transfer shall be visually and continually monitored;
  - b) a containment tray shall be placed below the vehicle's refueling portal;
  - c) fuel transfer nozzles shall be operated manually and will not be locked in the open position;
  - d) spill kits, including absorbent pads, shall be maintained in close proximity to the stationary equipment during refueling operations;
  - e) fuel transfers shall be conducted with an operator at each end of the transfer hose;
  - f) fuel transfers shall only be conducted when there is adequate visibility; and
  - g) fuel transfer equipment components such as pumps, hoses and nozzles shall be visually checked for leaks or damage prior to each refueling operation.

## **PART F: CONDITIONS APPLYING TO MODIFICATIONS**

1. The Licensee may, without written approval from the Board, carry out modifications to the planned Project provided that such modifications are consistent with the Terms of this Licence and the following requirements are met:
- a) the Licensee has notified the Board in writing of such proposed modifications at least fifteen (15) business days prior to beginning the modifications;
  - b) such modifications do not place the Licensee in contravention of either the Licence or the Act;
  - c) the Board has not, during the fifteen (15) business days following notification of the proposed modifications, informed the Licensee that review of the proposal will require more than fifteen (15) business days; and
  - d) the Board has not rejected the proposed modifications.

2. Modifications for which the conditions referred to in Part F, Item 1 have not been met may be carried out only with written approval from the Board.
3. The Licensee shall provide to the Board 'as modified' site plans referred to in Part F, Item 1 within ninety (90) days of completion of the modifications.

#### **PART G: CONDITIONS APPLYING TO UNAUTHORIZED DISCHARGE (SPILL) CONTINGENCY PLANNING**

1. The Licensee shall implement the Spill Contingency Plan as approved by the Board.
2. The Licensee will maintain a copy of the approved Spill Contingency Plan in a readily available location to the satisfaction of the inspector.
3. All unauthorized discharges, regardless of amount, must be cleaned up and contaminated materials disposed of at an approved Waste Disposal Facility. All reasonable efforts must be made to notify any parties affected or potentially affected by the unauthorized discharge.
4. At least thirty (30) days prior to commencing camp operations, the Licensee shall submit to the Board, the sewage (greywater and toilet wastes) tank inventory and total holding capacity for each camp, average and maximum quantities on site.
5. At least thirty (30) days prior to construction start the Licensee shall submit to the Board and the inspector a detailed list of the equipment included in the spill kits, locations of spill kits including GPS coordinates in DMS, and other spill response equipment available on site for every wellsite, camp and barge landing.
6. The Licensee shall ensure that all containment berms are constructed of an impermeable material to the satisfaction of the inspector.
7. The Licensee shall implement spill prevention measures at the Camps and spill response equipment shall be located within or near the Camps.
8. If, during the period of this Licence, an unauthorized discharge of waste occurs, or if such a discharge is foreseeable, the Licensee shall:
  - a) implement relevant components of the Spill Contingency Plan;
  - b) report the incident immediately via the 24-Hour Spill Reporting Line: **867-920-8130**;
  - c) report each spill and unauthorized discharge of waste to the inspector within 24 hours; and
  - d) submit to the inspector a detailed report on each occurrence not later than thirty (30) days after initially reporting the event.
9. All unauthorized discharges of wastes shall be cleaned up and the affected area reclaimed to the satisfaction of the inspector.

#### **PART H: CONDITIONS APPLYING TO RECLAMATION, CLOSURE AND MONITORING**

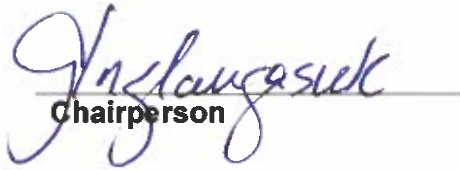
1. The Licensee shall implement the Reclamation, Closure and Monitoring Plan as approved by the Board.
2. Upon completion of all activities, the Licensee shall ensure that all materials, equipment, temporary structures and debris are removed from the program area. Other final reclamation

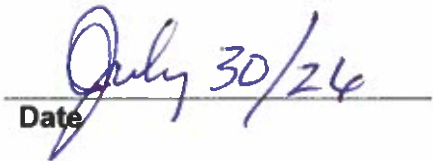


activities as may be outlined in the Project Description shall be implemented to the satisfaction of the inspector.

3. The Licensee shall physically monitor the Program Area affected by project activities relating to the water licence once annually, during summer for the duration of the licence to ensure that mitigation, natural vegetation, erosion control and reclamation efforts have been successful. These efforts shall be performed to the satisfaction of the inspector. The Licensee shall provide all monitoring results including photographs as part of the Annual Report as required in Part B: General conditions, Item 2.

#### INUVALUIT WATER BOARD

  
Chairperson

  
Date

**ANNEX 1: SURVEILLANCE NETWORK PROGRAM****LICENSEE:** MGM Energy**LICENCE NUMBER:** N5L1-1845**EFFECTIVE DATE OF LICENCE:** July 31, 2026**EFFECTIVE DATE OF****SURVEILLANCE NETWORK PROGRAM:** July 31, 2026**A. Sampling Stations**

| Station Number | Description of Sampling Stations                      |
|----------------|-------------------------------------------------------|
| 1845-1         | Water withdrawal at the point of intake               |
| 1845-2         | Standing water at the Langley K-30 abandoned wellsite |
| 1845-3         | Standing water at the Langley E-7 abandoned wellsite  |
| 1845-4         | Standing water at the Kumak I-25 abandoned wellsite   |

**B. Sampling and Analysis Requirements**

1. Water at Station Numbers 1845-2, 1845-3 and 1845-4 shall be sampled whenever standing water is observed during the open water season, analysed for the following parameters, and the results compared against the criteria specified in Water Licence Part D, Item 24 and background reference water quality to assess any exceedances, for the duration of the Water Licence:

| Station Numbers        | Parameters                                                                                                                                                                                                                                                                                  |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1845-2, 1845-3, 1845-4 | Benzene, Toluene, Ethylbenzene, Xylene, Acenaphthene, Anthracene, Fluoranthene, Fluorene, Naphthalene, Phenanthrene, Pyrene, Benzo[a]anthracene, Benzo(a)pyrene, Total Petroleum Hydrocarbon (TPH), Nitrate, Nitrite, pH, Total lead, Total Mercury, Total Suspended Solids (TSS), Hardness |

2. Sample collection requirements such as sampling location, frequency, parameters and standards in accordance with the Surveillance Network Program may be modified (e.g. add, remove, change) by the inspector.
3. All sampling, preservation and analyses shall be conducted in accordance with methods prescribed in the current edition of "Standard Methods for the Examination of Water and Wastewater" published by the American Public Health Association, the American Waterworks Association and the Water Environmental Federation or by such other methods as approved by an Analyst.
4. All off-site analysis shall be performed in a laboratory as approved by an Analyst.
5. The Licensee shall, at least thirty (30) days prior to beginning of the Project activities, submit to an Analyst for approval, a Quality Assurance / Quality Control (QA/QC) Plan. A copy of the plan approved by an Analyst shall be submitted to the Board and will be placed on the IWB Public Register.
6. The Quality Assurance / Quality Control (QA/QC) Plan shall be implemented as approved by an Analyst.

**C. Flow and Volume Measurement Requirements**

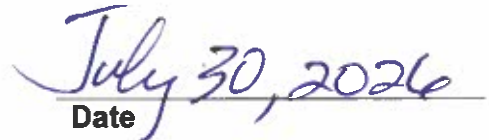
1. The Licensee shall measure and record in cubic metres (m<sup>3</sup>) the daily, monthly and annual quantities of water withdrawn from each water source.
2. The Licensee shall measure and record in cubic metres (m<sup>3</sup>) the daily, monthly and annual quantities of sewage (greywater and toilet wastes) collected and transported off site to an approved Waste Disposal Facility.
3. The Licensee shall measure and record in cubic meters (m<sup>3</sup>) the daily, monthly and annual quantities of non-hazardous and hazardous waste including contaminated soil and contaminated water / snow / ice temporarily stored on site and transported off site to an approved Waste Disposal Facility

**D. Reports**

1. The Licensee shall submit the following information in electronic (USBs) and printed formats as part of the Annual Report required in Part B: General Conditions, Item 2 of the Licence:
  - a) all laboratory results and analysis of all data collected during each SNP sampling period for the previous year;
  - b) tabular summaries of all data and information generated under Part B and C of the SNP;
  - c) rationale for any SNP sites where samples were not collected;
  - d) Quality Assurance / Quality Control (QA / QC) results and interpretations, in accordance with the approved Quality Assurance / Quality Control (QA / QC) Plan;
  - e) any interpretive comments and calculations; and
  - f) identification of any anomalies and trends.

**INUVIALUIT WATER BOARD**

  
Chairperson

  
Date

**GENERAL PROCEDURES FOR THE ADMINISTRATION OF LICENCES  
ISSUED UNDER THE *WATERS ACT* IN THAT PORTION OF THE INUVIALUIT  
SETTLEMENT REGION LOCATED WITHIN THE NORTHWEST TERRITORIES**

1. At the time of issuance, a copy of the Licence is placed in the Public Register at the Inuvialuit Water Board (IWB) Office in Inuvik. Copies are available here or on the IWB website at [www.inuvwb.ca](http://www.inuvwb.ca).
2. To enforce the Terms and Conditions of the Licence, the Government of the Northwest Territories (GNWT) Minister of Environment and Climate Change (ECC) has appointed Inspectors in accordance with the *Waters Act* Section 65 (1). The Inspectors coordinate their activities with officials of the GNWT ECC Land and Water Division. The Inspector responsible for the Licence is located in the GNWT ECC Land and Water Division Regional Office in Inuvik.
3. To keep the IWB and members of the public informed of the Licensee's conformity to Licence Terms and Conditions, the Inspectors prepare inspection reports which detail observations on how each requirement of 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 in the Public Register, as are any responses received from the Licensee pertaining to the Inspection Reports. Licensees must respond to all areas of concern outlined in the Inspection Reports.
4. If renewal of the Licence is contemplated it is the responsibility of the Licensee to apply to the IWB 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 use and waste disposal must cease, or you, the Licensee, would be in contravention of the *Waters Act*. Under normal circumstances an application for renewal should be made at least six (6) months in advance of the Licence expiry date.
5. If, for some reason, the Licence requires an amendment, a public hearing may be required. You are reminded that applications for amendments should be submitted as soon as possible to provide the IWB 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 IWB, Analyst or Inspector. The contact person, address, phone and fax number of each is:

BOARD: Executive Director  
Inuvialuit Water Board  
P.O. Box 2531  
INUVIK, NT X0E 0T0  
Phone No: 867-678-8609  
Fax No: 867-678-2943

ANALYST: Analyst  
Taiga Environmental Laboratory  
Environment and Climate Change (ECC)  
Government of the Northwest Territories (GNWT)  
P.O. Box 1320  
YELLOWKNIFE, NT X1A 2L9  
Phone No: 867-767-9235 Ext: 53150  
Fax No: 867-920-8740

INSPECTOR: Inspector  
Environment and Climate Change (ECC)  
Land and Water Division  
Government of the Northwest Territories (GNWT)  
Bag Service #1  
86 Duck Lake St.  
INUVIK, NT X0E 0T0  
Phone No: 678-8090 Ext: 24656  
Fax No: 867-777-2090