



Telephone: 867 777-8900
Fax: 867-777-2090

September 23, 2016

Chinook Energy Inc.
Suite 1000, 517-10th Avenue SW
Calgary, AB T2R 0A8

Attention: Darren Tomecek

File Number	G2002A0011
Type of Operation	OIL AND GAS DRILLING - WELLSITE
Location	C 36 sump

To: Darren Tomecek,

An inspection of the above noted operation was conducted on September 21, 2016 by Manager, Resource Management Donald Arey and Resource Management Officer II Herbert Allen.

Enclosed is a copy of the Environmental Inspection Report. Please refer to the general comments section of this report. Your attention to this matter is appreciated.

If you have any questions, please contact me at 867 777-8900.

Regards,

Donald Arey
Manager, Resource Management
Department of Lands
Beaufort Delta Region

CC: **GLWB**
Conrad Baetz, Superintendent Dept. of Lands Beaufort Delta Region



ENVIRONMENTAL INSPECTION REPORT

Permittee:	Chinook Energy Inc.	Permit Expiry Date:	December 31, 2005
Land Use Permit No.	G2002A0011	Previous Inspection:	September 25, 2015
Quarrying Permit No.		Inspection Date:	September 21, 2016
Contractor:		Subcontractor:	
Location(s) Inspected:	C 36 sump		
Current Stage of Operation:	completed and reclaimed		
Program Modifications Approved:	NIL		

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "N/I" - Not Inspected

Operating Condition	Aspect Inspected				
	Tree river c 36				
Location as Permitted	A				
Time as Permitted	A				
Equipment as Approved (Type & Size)	A				
Methods & Techniques	A				
Facilities	A				
Erosion (Control or Prevention)	A				
Wildlife and Fisheries Habitat (Protection)	A				
Ecological Resources	A				
Restoration of Lands	A				
Matters not Inconsistent	A				
Sections 8 to 12 / 14 to 16 M.V.L.U.R.	A				

Explanatory Remarks -

Tree river c 36:

On the previous inspection report dated Oct 01 2015 it indicated that pooling was still evident and diversions were made to allow water to go through the sump. This was anticipated for the water to flow through the sump and is doing as anticipated. It was also recommended for the following season that updated sampling be done to ensure the sumps contents are intact.

During this inspection it was observed that no change was observed and the sump cap is solid and holding with no evidence of any subsidence. Mattings were intact and vegetation is showing through out the sump. Sheening was evident within the sump and it is not certain if this maybe a natural occurrence. Inspectors are satisfied with the work done on the reclamation, however still request that a updated sample report be provided to ensure contents are intact prior to recommending closure of the file.

N/A

Representative Signature

Inspector's Signature



ENVIRONMENTAL INSPECTION REPORT

Inspection Images:

Figure 1

Aerial of site



Figure 2

Aerial of site





ENVIRONMENTAL INSPECTION REPORT

Figure 3
matting intact with vegetation



Figure 4
sheen on water

