

P.O. Box 2018
Inuvik, NT X0E-0T0
Tel: (867) 777-4954
Fax: (867) 777-2616

Gwich'in Land and Water Board

SCHEDULE II

(Subsection 19(2) of Mackenzie Valley Land Use Regulations)

INFORMATION IN SUPPORT OF AN APPLICATION FOR A LAND USE PERMIT



New Application (C-36)



Amendment

1. Applicant's name and mailing address

Devlan Exploration Inc.
#1400, 333 – 5th Avenue SW
Calgary, Alberta
T2P 3B6
Telephone no. (403) 233-7778

Fax no. (403) 261-3808

2. Head office address

As above
Field supervisor
Ed Fercho, Canadian Petroleum Engineering
Radio telephone no.
To be arranged
Telephone no.
(403) 263-0752
Fax no.
(403) 233-0859

3. Other personnel (subcontractor, contractors, company, staff, etc.)

Personnel involved will include contractors and Devlan staff, and will include labourers, camp catering services, medical services, etc. The Gwich'in Development Corporation will provide general contractor services. Ensign Drilling will be the drilling contractor.

Total number of persons on site:

Maximum of 35

4. Eligibility

(Refer to section 18 if the Mackenzie Valley Land Use Regulations.)

(a) (i)

(a) (ii)

(a) (iii)

(b) (i)

(b) (ii)

5. a) Summary of operation (describe purpose, nature and location of all activities)

(Refer to paragraph 19 (3) (b) of the Mackenzie Valley Land Use Regulations.)

Devlan proposes to drill and evaluate one well (Devlan Tree River C-36) in the Gwich'in Settlement Area approximately 85 km southeast of Tsiigehtchic. The wellsite is located at 67° 15' 09" N; 131° 51' 38" W. The wellsite area has been surveyed at 150 m x 150 m (2.3 ha) to allow for optimal siting of a sump, should initial testing identify a suitable area. The well will be drilled to a depth of approximately 1875 metres, then evaluated with open hole electric logs. Based on the results of these logs, a decision will be made on whether to conduct a well testing program or abandon the well. The proposed operations on the drill site are expected to require about 15 days, with an additional 7 to 10 days of testing, if warranted. Project components include the following; those included with this application are indicated as such, while the remainder are included in separate applications:

- Drill, complete and evaluate one well at C-36 (150 m x 150 m = 2.3 ha)(this application);
- Alternate base camp (1.0 ha)(this application);
- alternate remote sump, if required (0.16 ha)(this application);
- Emergency winter fixed wing ice airstrip on Gwit'it Van Choo (Lake 39);
- use of 5 water source lakes plus the Mackenzie River as an alternate;
- complete and test 3 existing wells in the same area; and

- winter access to the project area.

b) Indicate if a camp is to be set up (Provide details on a separate page, if necessary.)

A 12-15 person sleigh trailer camp (advance camp) including 2 sleepers, 1 kitchen, 1 wash unit and 1 power plant unit would be set up to support access construction. In addition, a 40 person skid mounted trailer camp (base camp), including 4 sleepers, 1 kitchen, 1 wash unit and 1 power plant would be set up to support the drilling, completion and evaluation operations. The advance camp will move along the access route and will not require additional area. The base camp (100 m²) will be within the wellsite area if possible. If not, it will be in an alternate location, on an existing cutline 100 m south of the C-36 wellsite (Figures 1 and 2, Appendix V).

6. Summary of potential environmental and resource impacts (describe the effects of the proposed land use operation on land, water, flora and fauna and related socio-economic impacts). (Use separate page if necessary.)

Please refer to Appendix II, Section 5.

7. Proposed restoration plans (Use separate page if necessary).

Please refer to Appendix II, Section 7.

8. Other rights, licences or permits related to this permit application (mineral rights, timber permits, water licences, etc.)

Exploration license (EL) 386 (Tree River), EL 373 (Thunder River) and EL 374 (Ontaratue River);

4 separate Land Use Permit applications for the completion and evaluation of 3 existing wellsites within the same area, and for access (applied concurrently with this permit application);

Water license (applied concurrently with this permit application); and

Application for access to Gwich'in owned lands (applied concurrently with this permit application).

Roads:

Is this to be a pioneered road? No

**Has the route been laid out or ground truthed?
(Provide details on a separate page.)**

Proposed access routes for this project are the same as those constructed and used in 2000/2001. Please refer to Figure 1, Appendix V. Access is included under a separate application.

9. Proposed disposal methods

a) Garbage:

Incinerated on site and/or hauled to an approved landfill site.

b) Sewage (sanitary and grey water):

Incinolet toilets in camps, with pump out of residual material. Alternataively, a camp sump will be used. Snow berm and spreading for the sleigh camp.

c) Brush and trees:

Logs bucked and salvaged. Brush stored in a windrow on high side of lease area.

d) Over burden (organic soils, waste material, etc.):

Ice pad to be used with no surface disturbance, except for the sump, where the organic layer would be salvaged and kept separate; replaced upon reclamation.

**10. Equipment (includes, drills, pumps, etc.)
(Use separate page if necessary).**

Type and Number		Size	Proposed Use	
See Appendix VI				
11. Fuels	✓	No. of Containers	Capacity of Containers	Location
Diesel	✓	2 2 fuel sloops	50,000 ltr 6 – 500 gallon tanks	Tsiigehtchic Tsiigehtchic and hauled along line
Gasoline	✓	1	500 gallon tank	Tsiigehtchic
Aviation Fuel	✓	12	45 gallon drum	Tsiigehtchic
Propane				
Other				

12. Containment fuel spill contingency plans.
(Attach separate contingency plan if necessary.)

See Appendix IV.

13. Methods of fuel transfer (to other tanks, vehicles, etc.)

Top-mounted electric pump; hand pump

14. Period of operation (includes time to cover all phases of project work applied for, including restoration.)

December 15, 2002 to April 15, 2003

15. Period of permit (up to five years, with maximum of two years of extension)

Start Date: December 15, 2002 (as soon as weather permits)

Completion Date: December 2005

16. Location of activities by map co-ordinates (attach maps and sketches)

See attached Environmental Impact Assessment, Appendix II

Minimum latitude (degree, minute)

N 67° 00'

Maximum latitude (degree, minute)

N 67° 30'

Minimum longitude (degree, minute)

W 131° 20'

Maximum longitude (degree, minute)

W 133° 45'


Map sheet no.

106 O and 106 N (1971) Edition 3. NAD 27 UTM Zone 8

17. Applicant DEVLAN EXPLORATION INC.

(Print name in full)

Signature



MARK B. ALGAR
VICE PRESIDENT ENGINEERING

Date

Oct 30, 2002

18. Fees



Type A - \$150.00



Type B - \$150.00

Land Use Fees: 3.46 hectares - 2 = 1.46 ha @ \$50.00/hectare = \$ 73.00

Assignment Fee: \$50.00 (N/A)

Total = \$ 223.00