



Telephone: 867 777-8900

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September 22, 2016

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

Attention: Darren Tomecek

File Number G2002A0012
Type of Operation OIL AND GAS DRILLING - WELLSITE
Location D39

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.	G2002A0012	Previous Inspection:	September 25, 2015
Quarrying Permit No.		Inspection Date:	September 21, 2016
Contractor:		Subcontractor:	
Location(s) Inspected:	D39		
Current Stage of Operation:	completed		
Program Modifications Approved:	NIL		

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

Operating Condition	Aspect Inspected				
	D39				
Methods & Techniques	A				
Facilities	A				
Erosion (Control or Prevention)	A				
Wildlife and Fisheries Habitat (Protection)	A				
Ecological Resources	A				
Location as Permitted	A				
Time as Permitted	A				
Matters not Inconsistent	A				
Sections 8 to 12 / 14 to 16 M.V.L.U.R.	A				

Explanatory Remarks -

D39:

On the previous inspection report dated Oct. 01, 2015 it was recommended that updated samples be taken to ensure the sump is intact prior to recommending closure of the file.

During this inspection no change has been observed from previous inspection reports with regards to any subsidence of the sump, it appears that no more water has accumulated within the sump.

It is still requested that a updated sample report be provided prior to a final inspection to recommend any closure of the file.

MATTERS FOR FOLLOW UP

Await updated sample report from sump prior to a final inspection.

N/A

Representative Signature

Inspector's Signature

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ENVIRONMENTAL INSPECTION REPORT

Inspection Images:

Figure 1

Aerial of D39



Figure 2

D39 Post





ENVIRONMENTAL INSPECTION REPORT

Figure 3
ponded water at sump



Figure 4
Aerial of D39

