



Aboriginal Affairs and
Northern Development Canada

<http://www.aandc-aadnc.gc.ca>

Affaires autochtones et
Développement du Nord Canada

<http://www.aadnc-aandc.gc.ca>

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July 4, 2012

Chinook Energy Inc.
Suite 700, 700 – 2nd Street, SW
Calgary, Alberta
T2P 2W1

Attention: Darren Tomecek

RE: Order to complete the Reclamation Program at Tree River C-36 (Permit No: G02A011) and Thunder River N-73 (Permit No: G02A013)

Thank you for your letter dated June 28, 2012 with regard to the above mentioned program.

Please be advised that your cancelation of the reclamation program scheduled for 2012 is unacceptable to Aboriginal Affairs and Northern Development Canada (AANDC). There is reason to believe that the cancelation of your 2012 reclamation program at Tree River and Thunder River is likely to have adverse effects on the environment.

Past inspection reports by AANDC Inspectors as well as a report from consultants that were hired by Chinook Energy Inc. indicate that there are still outstanding issues and concerns with the above mentioned sites that need to be addressed and rectified. These concerns have been outstanding for a long period of time without any justification. It is also AANDC's belief that Chinook Energy Inc. is in violation of section 15 of the *Mackenzie Valley Land Use Regulations* by not implementing the proposed reclamation program.

As a result, per section 86 (1), of the *Mackenzie Valley Resource Management Act*, Chinook Energy Inc. is ordered to implement the proposed reclamation plan that was submitted to AANDC in August of 2011. Chinook Energy Inc. is also ordered to have completed the reclamation activities outlined in the proposed reclamation plan no later than midnight on September 30, 2012.

Every person who contravenes any provision of the regulations, any condition of a permit or an order of an Inspector under section 86(1) or (2) is guilty of an offence and liable on summary conviction to a fine not exceeding \$15,000 or to imprisonment for a term not exceeding six months, or to both.

Thank you and I look forward to your compliance,



Jozef Carnogursky
Resource Management Officer (Inspector)

- c. Gwich'in Land and Water Board
Mardy Semmler, Gwich'in Tribal Council