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Your file - Votre référence

S03A-007
S03A-008
S04A-010

2005-08-11

David Calvert
Coordinator, Surface Land
Aboriginal and Community Relations
Apache Canada Ltd.
1000, 700 9th Ave SW
Calgary, AB
T2P 3V4



Re: Land Use Permits: S03A-007, S03A-008, S04A-010

On July 26 Land Use Inspections were conducted on the above operations. Enclosed are copies of the Inspection Reports.


S03A-007 - A large portion of the L-80 wellsite was covered in what appeared to be drilling mud. The substance had a fuel odour coming from it so samples were taken and sent for analysis. In talking with David Calvert yesterday he informed me that the substance may have been a neutral mud used for drilling the rathole. This would explain why it was not noticed on the ice pad during winter inspections. Once lab results return for both the drill mud (spill # 05-373) and the small chemical spill (spill # 05-372) we can further address the situation.

S03A-008 - The K-14 well-site had a number of small (<1m²) diesel and grease spills on the south side of the wellhead. This may have been a result of summer operations or the previous years winter works that went on. *see inspection report*

S04A-010 - Wellsites both looked okay. *see inspection report*

If you require more information or clarification, please contact me at (867) 587-2911 or by email at johnsonam@inac.gc.ca.

Yours truly,

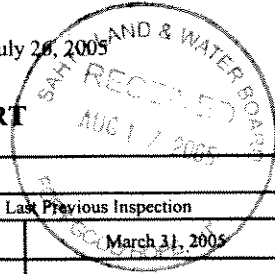

Armin Johnson
RMO II
Norman Wells Sub-district

cc: Inuvik District files
Sahtu Land & Water Board
Water Resources, INAC

Canada



Date: July 28, 2005



ENVIRONMENTAL INSPECTION REPORT

Permittee:	Apache Canada Ltd. Suite 1000 700 9 th Ave S.W. Calgary, AB T2P 3V4
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Land Use Permit No.	S03A-007	Permit Expiry Date	December 12, 2008	Last Previous Inspection	March 31, 2005
Quarrying Permit No.					
Contractor:		Subcontractor:			

Location(s) Inspected:	L-80; wellsite, access, sump
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Current Stage of Operation	Summer clean-up
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Program Modifications Approved:	
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Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "N/I" - Not Inspected

	Operating Condition	Aspect Inspected			
		Access	L-80	Drill Sump	
	Location as Permitted	A	A	A	
B	Timing as Permitted	A	A	A	
C	Equipment as Approved (Type & Size)	N/A	N/A	N/A	
D	Methods & Techniques	A	A	A	
E	Facilities	A	A	A	
F	Erosion (Control or Prevention of Flooding etc.)	A	A	A	
G	Chemicals	A	A*	A	see comment
H	Wildlife and Fisheries Habitat (Protection)	A	A	A	
I	Wastes	A	A	A	
J	Historical / Archaeological / Burial Sites	A	A	A	
K	Recreational / Scenic Ecological Value	-	-	-	
M	Fuel Storage	A	A	N/A	
N	Debris / Brush Disposal	A	A	A	
O	Restoration of Lands	A	A	A	
P	Permits	N/A	N/A	N/A	
Q	Matters Not Inconsistent	A	A	A	
	Sections 8 to 12 / 14 to 16 M.V.L.U.R.	A	A	A	
S					
T					

Explanatory Remarks (attach page 2 if required) no
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The Permittee shall deposit all gel/chem. waste into a sump. During our inspection we found a large pool of what appears to be drilling mud on the wellsite. The wellsite looked clean on the March 31 inspection(after demobilization). The spill was obviously overlooked or ignored. The spread of the waste is from the wellhead to the northeastern corner of the lease. Samples of the substance were taken and have been submitted to a lab for analysis.

Condition 7.9 The Permittee shall report all spills immediately..... There were two unreported spills which took place on the L-80 location. One was the drilling mud and another of what appears to be calcium(awaiting lab results). They have now been reported and have been assigned the following spill numbers; 05-372, 05-373. In a letter(dated August 2) to Apache Canada from John Korec, an environmental site assessment will be required addressing the remedial measures to be taken by Apache in regards to these spills.

Armin Johnson
Resource Management Officer II