



**Aboriginal Affairs and
Northern Development Canada**
www.inac.gc.ca

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**Affaires autochtones et
Développement du Nord Canada**
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November 14, 2012

Sahtu Land and Water Board
P.O. Box 1
Fort Good Hope, NT X0E 0H0

Attention: Tony Morris, Regulatory Specialist

**RE: SLATER RIVER LAND USE PERMIT APPLICATION GROUNDWATER BASELINE
DRILLING PROGRAM (S12X-006)**

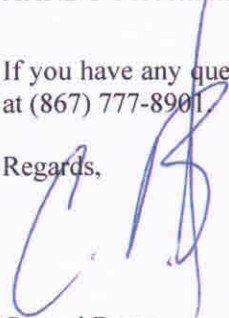
Dear Tony:

The Department of Aboriginal Affairs and Northern Development Canada (AANDC) has reviewed the aforementioned application.

Please refer to the attached table with the projects recommended terms and conditions along with AANDC's recommended security requirements.

If you have any questions or concerns, or if additional information is required, please contact me at (867) 777-8901.

Regards,



Conrad Baetz
District Manager

Cc: Steve Deschene, Resource Management Officer, AANDC, Norman Wells, NT

**CONDITIONS ANNEXED TO AND FORMING PART OF
LAND USE PERMIT S12X-006**

26 (1) (A) - LOCATION AND AREA

A.1	The Permittee shall not conduct this land use operation on any lands not designated in the accepted application.	LOCATION OF ACTIVITIES	Same as WG#4
A.4	The Permittee shall use an existing campsite as described in the accepted application.	CAMP LOCATION	Same as WG#4
A.9	The Permittee shall not construct an adit or drill site within 100 metres of the normal high water mark of a stream unless approval in writing is obtained from the S.L.W.B.	LOCATION OF ADITS AND DRILLSITE	Deleted from WG#4 based on inspector down there. May be a different opinion in the Sahtu

26 (1) (B) - TIME

B.1	The Permittee's Field Supervisor shall contact an Inspector at telephone number (867) 587-2011, at least 48 hours prior to the commencement of this land use operation.	CONTACT INSPECTOR	Same as WG#4
B.2	The Permittee shall advise an Inspector at least ten (10) days prior to the completion of the land use operation of (a) the plan for removal or storage of equipment and materials, and (b) when final clean-up and restoration of the lands used will be completed.	REPORTS BEFORE REMOVAL	Same as WG#4

B.4	The Permittee shall not conduct any activity associated with the land use operation between March 31 and November 30.	SHUT-DOWN PERIOD	Same as WG#4
B.5	The S.L.W.B., for the purpose of this operation, designates March 31 as spring break-up.	SPRING BREAK-UP	Same as WG#4
B.6	The Permittee shall provide in writing to an Inspector, at least forty-eight (48) hours prior to commencement of this land use operation, the following information: (a) person, or persons, in charge of the field operation; (b) alternates; and (c) all methods for contacting the above person(s).	IDENTIFY AGENT	Same as WG#4
26 (1) (C) EQUIPMENT			
C.1	The Permittee shall not use any equipment except of a similar type, size, and number listed in the accepted application.	ONLY APPROVED EQUIPMENT	Same as WG#4
C.3	The Permittee shall equip bulldozer blades used in this operation with "mushroom" type shoes or a similar type of device which shall be extended 15 centimetres below the cutting edge of the blade	BULLDOZER BLADES AND SHOES	
26 (1) (D) - METHODS AND TECHNIQUES			
D.1	The Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 Kpa.	DETOURS & CROSSINGS	Same as WG#4

D.2	The Permittee shall construct and maintain the overland portion of winter roads with a minimum of ten (10) centimetres of packed snow and/or ice at all times during this land use operation.	SNOW ROADS/ ICE ROADS	Same as WG#4
D.7	The Permittee shall leave a buffer strip of undisturbed vegetation at least thirty (30) metres in width between cleared areas and public roads or watercourses.	TREE SCREEN	Same as WG#4
D.8	The Permittee shall not erect camps or store material other than that required for immediate use on the ice surface of a watercourse.	STORAGE ON ICE	Same as WG#4
D.9	The Permittee shall remove or cut off and seal each drill casing at ground level immediately upon completion of operations at each drill hole.	REMOVAL AND SEALING OF DRILL CASINGS	Same as WG#4
D.13	The Permittee shall use only clean snow in the construction of crossings.	CLEAN SNOW	
D.14	The Permittee shall not conduct vehicle travel in areas without snow-covered surfaces.	VEHICLE TRAVEL	
D.15	The Permittee shall not clear areas larger than specified in their accepted application.	MINIMIZE AREA CLEARED	
D.16	The Permittee shall not cut and fill on any portion of this land use operation.	CUT AND FILL	
D.17	The Permittee shall confine the line to a maximum width of ten (10) metres.	MAXIMUM LINE WIDTH	
26 (1) (E) - TYPE, LOCATION, CAPACITY AND OPERATION OF FACILITIES			
E.3	The Permittee shall ensure that the land use area is kept clean at all times.	CLEAN WORK AREA	Same as WG#4
26 (1) (F) - CONTROL OR PREVENTION FLOODING, EROSION AND SUBSIDENCE OF LAND			

F.1	The Permittee shall, where flowing water from bore holes is encountered, (1) plug the bore hole in such a manner as to permanently prevent any further outflow of water; and (2) report the artesian occurrence to the inspector and the Board immediately.	PLUG ARTESIAN WELLS	Same as WG#4, plus the Board added.
F.2	The land use operation shall not cause obstruction to any natural drainage.	NATURAL DRAINAGE	Same as WG#4
F.3	The Permittee shall not cut any stream bank, unless otherwise authorized in writing by an Inspector.	STREAM BANKS	Same as WG#4, remember >5m requires water licence
F.4	The Permittee shall not use any material other than clean water and clean snow in the construction of ice bridges.	ICE BRIDGE MATERIAL	Same as WG#4, except added clean
F.5	The Permittee shall install and maintain culverts such that scouring does not occur.	CULVERT SIZE	Same as WG#4
F.6	The Permittee shall not ford wet streams.	NO FORDING OF STREAMS	Same as WG#4
F.9	The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.	VEHICLE MOVEMENT FREEZE-UP	Same as WG#4
F.12	The Permittee shall clean up and either remove or v-notch all snow fills from stream crossings prior to spring break-up or completion of the land use operation, unless otherwise authorized in writing by an Inspector.	REMOVE SNOW FILLS	Same as WG#4

F.19	The Permittee shall not use the bed of streams for access routes except for the purpose of crossing the streams, unless otherwise authorized by the Land Use Inspector.	STREAM BEDS - ACCESS	
F.21	The Permittee shall construct dykes and diversion ditches as required in writing by a Land Use Inspector	DYKES/ DIVERSION	
F.28	All culverts installed must be marked in such a manner that their locations are easily identifiable by onsite personnel.	CULVERTS	
F.32	All culverts must be removed prior to the demobilization of men and equipment from the permitted area.	CULVERTS	
26 (1) (G) - USE, STORAGE, HANDLING AND DISPOSAL OF CHEMICAL OR TOXIC MATERIAL			
G.1	The Permittee shall not use chemicals in connection with the land use operation that were not identified in the accepted application, unless the MSDS sheets are provided and usage of the chemical(s) is authorized in writing by the Board.	APPROVAL OF CHEMICALS	Same as WG#4
NEW	Any release of non-toxic drill waste must be carried out no less than 100 metres from the high water mark of any water body and, unless otherwise authorized in writing by the Inspector.	DRILL WASTE	
G.4	The Permittee shall dispose of all toxic or persistent substances as described in the approved Waste Management Plan.	WASTE CHEMICAL DISPOSAL	Same as WG#4
G.6	The Permittee shall maintain a record of all spills. For all reportable spills, as defined in the 'NT-NU Spill Report Form', the Permittee shall: (a) immediately report each spill to the 24 hour Spill Report Line (867) 920-8130 (b) report each spill to an Inspector within 24 hours, and (c) submit, to the Board and an Inspector, a detailed report on each spill within 30 days.	REPORT CHEMICAL AND PETROLEUM SPILLS	Same as WG#4, can be used as an alternative to G.9.

NEW	The Permittee shall not allow any drilling waste to spread to the surrounding watercourses.	DRILL WASTE CONTAINMENT	
G.10	The Permittee shall dispose of all combustible waste petroleum products by removal to an approved disposal facility	WASTE PETROLEUM DISPOSAL	Same as WG#4, moved from category 'i'
NEW	The Permittee, prior to the discharge of fluids carry out an analysis of the fluid in a manner prescribed in the approved Waste Management Plan. The analysis must be submitted to the Inspector and the S.L.W.B. for approval before discharge.	DISCHARGE	
26 (1) (H) - WILDLIFE AND FISHERIES HABITAT			
H.1	The Permittee shall take all reasonable measures to prevent damage to wildlife and fish habitat during this land use operation.	HABITAT DAMAGE	Same as WG#4.
H.2	The Permittee shall construct and maintain all structures placed in streams frequented by fish, in such a manner that will not obstruct passage of fish.	FREE FISH MOVEMENT	
H.15	The Permittee shall not feed wildlife.	NO FEEDING WILDLIFE	
H.16	The Permittee shall not harass wildlife.	HARASSING WILDLIFE	
H.17	If Caribou, Moose, Grizzly Bear or Muskoxen are spotted within five hundred (500) metres of any work/camp site immediate notification shall be made to the environmental monitor and/ or the Sahtu Renewable Resources Board.	NOTIFICATION LARGE GAME	
H.18	There shall be no hunting by project staff at any time, within the project area.	NO HUNTING	
26 (1) (I) Storage, Handling, and Disposal of Refuse or Sewage			
I.3	The Permittee shall dispose of all garbage, waste, and debris as	REMOVE	Same as WG#4,

	described in the approved Waste Management Plan, unless otherwise authorized in writing by an inspector.	GARBAGE	inspector has power for campsites as per 14(1) of MVLUR
I.4	The Permittee shall adhere to the approved Waste Management Plan and shall annually review the Plan and make any necessary revisions to reflect changes in operations, technology, chemicals or fuels. Revisions to the Plan shall be submitted to the Board for approval.	WASTE MANAGEMENT	Same as WG#4
NEW	The Permittee shall remove from the project area; all scrap metal, discarded machinery and parts, barrels and kegs, buildings and building material.	REMOVE WASTE MATERIAL	
26 (I) (J) - HISTORICAL AND ARCHAEOLOGICAL SITES AND BURIAL GROUNDS			
J.3	The permittee shall make every effort to ensure that no Historical or Archaeological Site or Burial Ground will be affected by this operation	SITES PROTECTION	
26 (1) (L) - SECURITY DEPOSIT			
L.1	The operator shall deposit with the Minister a security deposit in the amount of \$ 35,825.00 pursuant to Section 26 (1) (L) of the Mackenzie Valley Land Use Regulations.	SECURITY DEPOSIT	
L.2	All costs to remediate the area under this permit are the responsibility of the Permittee.	RESPONSIBILITY FOR REMEDIATION	Same as WG#4

		COSTS	
26 (1) (M) - PETROLEUM FUEL STORAGE			
M.2	The Permittee shall not place any fuel storage containers within one hundred (100) metres of the ordinary high water mark of any watercourse, unless otherwise authorized in writing by an Inspector.	FUEL BY STREAM	Same as WG#4
M.10	The Permittee shall ensure that spill-response equipment is in place, prior to commencement of operations, to respond to any potential spills.	SPILL RESPONSE	Same as WG#4
M.11	All equipment that may be parked for two(2) hours or more, should have a haz-mat/drip tray under it, or be sufficiently diapered (leaky equipment should be repaired immediately).	DRIP T TRAYS	Same as WG#4, needs to be reviewed though
M.12	The Permittee shall clean up all leaks, spills, and contaminated material.	CLEAN UP SPILLS	Same as WG#4, needs to be reviewed
M.26	Containers used in transporting fuel must have check valves, or an equivalent device, installed to prevent the spillage of fuel if the container is tipped.	CHECK VALVES	
26 (1) (N) - DEBRIS AND BRUSH DISPOSAL			
NEW	The Permittee shall progressively dispose of all brush and trees, and shall complete all disposals prior to the removal of men and equipment from the permitted area.	BRUSH DISPOSAL TIME	
NEW	The Permittee shall dispose of all debris and brush by mulching unless authorized by an Inspector.	BRUSH DISPOSAL	
26 (1) (O) - RESTORATION OF THE LANDS			

O.1	Prior to the expiry date of this permit, the Permittee shall prepare the site in such a manner as to facilitate natural revegetation.	RE-ESTABLISH VEGETATION	Same as WG#4
O.4	The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of this Permit.	FINAL CLEANUP AND RESTORATION	Same as WG#4
O.5	The Permittee shall carry out Progressive Reclamation of disturbed areas as soon as practical.	PROGRESSIVE RECLAMATION	Same as WG#4
26 (1) (P) - DISPLAY OF PERMITS AND PERMIT NUMBERS			
P.2	The Permittee shall keep on hand, at all times during this land use operation, a copy of the Land Use Permit.	COPY OF PERMIT	Same as WG#4
26 (1) (Q) - MATTERS NOT INCONSISTENT WITH THE REGULATIONS			
Q.5	The Permittee shall, while conducting the operation, make every effort To avoid covering or destroying traps or snares that may be found in the area.	TRAPS PROTECTION	
Q.8	The Permittee shall adhere to all comments and procedures stated in the Land Use Permit application unless otherwise stated in the Terms and Conditions of this Land Use Permit or authorized by the Land Use Inspector.	OTHER COMMITMENTS	
NEW	The Permittee shall post signs at every water well depicting it's designation listed in the Land Use Permit Application and it's use i.e.: Surficial Groundwater (SG) or Bedrock Aquifer (BE). These signs must be of metal construction.	SIGNS	
NEW	The Permittee shall ensure that piezometer wells, casings and any other	REMOVAL OF	

	<p>protrusion of the ground surface are cut off at least 1 meter below surface before the expiry of the Land Use Permit unless otherwise authorized by an Inspector.</p>	<p>PEIZOMETER WELLS</p>	
<p>Q.15</p>	<p>The Permittee shall provide in writing to the Land Use Inspector at least forty-eight (48) hours prior to commencement of this land use operation, the following information:</p> <p>(a) person, or persons, in charge of the field operation to whom notices, orders, and reports may be served;</p> <p>(b) alternates;</p> <p>(c) all the indirect methods for contacting the above person(s).</p>	<p>IDENTIFY AGENT</p>	
	<p>SAHTU Land and Water Board</p>		
<p>Witness</p>	<p>Larry Wallace (Chairman)</p>		

Land Use Permit Security Worksheet

Application Number: S12X-006 Husky Oil Operations Limited

Input
Amount Multiplier

Camp (C1)			
Temporary Structures			
Input number of tent frames or weatherhaven (3.5m x 4.2m)	0	\$200.00	\$0.00
Input number of trailers (3.5m x 15.2m)	0	\$300.00	\$0.00
Input total square metres of other temporary structures (i.e. core shacks)	0	\$2.50	\$0.00
Fixed Structures			
Input total square metres of fixed structures	0	\$25.00	\$0.00
Solid Waste			
For non-burnable material, input # of person days per season	0	\$1.00	\$0.00
For burnable material, input # of person days per season	0	\$0.50	\$0.00
Total C1			\$0.00

Regulated / Hazardous Materials (R1)			
Based upon on site volume			
Explosives; up to 500 kg (~pallet) dry explosives input 1, if none, input 0	0	\$500.00	\$0.00
Additional Explosives; input total kg >500	0	\$0.50	\$0.00
Drilling Muds (oil based); enter number of 63 m ³ (or equivalent) containers	0	\$1,000.00	\$0.00
Used Oil, Lubes and Antifreeze: enter number of pieces of heavy equipment	14	\$500.00	\$7,000.00
Other;			

Total R1			\$7,000.00

Hydrocarbon Storage and Transfer (H1)			
Based upon on site volume			
Gasoline and Diesel			
Enter total volume of gasoline&diesel <25,000 L	26396.3	\$0.50	\$13,198.14
Enter total volume of gasoline&fuel > 25,000 L		\$0.25	\$0.00
Total Gasoline and Diesel			\$13,198.14
When fuel is within bermed site or has other safety feature, enter 1, otherwise enter 0	1	25%	-\$3,299.54
Aviation Fuel			
Enter total volume of aviation fuel < 25,000 L	0	\$0.50	\$0.00
Enter total volume of aviation fuel > 25,000 L	0	\$0.25	\$0.00
Total Aviation Fuel			\$0.00
When fuel is within bermed site or has other safety feature, enter 1, otherwise enter 0	0	25%	\$0.00
Total H1			\$9,898.61

Land Disturbance (L1)			
Disturbed Surface Area			
<i>(Developed surface area that may require restoration through the use of scarification, reseeding, fertilizing or other similar techniques)</i>			
Enter number of hectares disturbed	2	\$1,000.00	\$2,000.00
Other Land Disturbances			
Creek Crossings; enter number of creek crossings	0	\$500.00	\$0.00
Off-Road Activities; if any activities are likely, enter 1	0	\$500.00	\$0.00
Sump Factor; enter total area occupied by sumps in m ²	0	\$10.00	\$0.00
Well Factor; enter number of wells.	0	\$25,000.00	\$0.00
Total L1			\$2,000.00

Land Use Permit Security Worksheet (continued)

Application Number:	Input Amount	Multiplier	
Equipment (E1)			
Based upon type of equipment			
Enter number of pieces of heavy equipment (i.e. dozer, forklift, large gensets)	6	\$1,000.00	\$6,000.00
Enter number of drills	2	\$1,000.00	\$2,000.00
Enter number of light vehicles (trucks, atvs, snowmobiles, boats)	4	\$250.00	\$1,000.00
Enter number of small generators or pumps	2	\$100.00	\$200.00
Enter number of empty fuel storage tanks	0	\$500.00	\$0.00
Total E1			\$9,200.00

Security Calculation			
Preliminary Calculation			
Enter amount from C1			\$0.00
Enter amount from R1			\$7,000.00
Enter amount from H1			\$9,898.61
Enter amount from L1			\$2,000.00
Enter amount from E1			\$9,200.00
Preliminary Calculation, total of above		A	\$28,098.61
Multipliers			
Site Access Multiplier. If the project has all weather road access enter 1, if ice road access enter 1.5, if air access enter 2		B	1.5
Performance Multiplier. If applicant has successfully completed the terms of a LUP enter 0.85, otherwise enter 1		C	0.85
Environmental Risk Factor. If location has high environmental value or unusual environmental risk enter 2. If location is previously disturbed enter 0.75. Otherwise enter 1.		D	1
Calculated Security			
Multiply preliminary calculation (A) by performance multipliers (B, C and D)		E	\$35,825.72
Existing Securities			
List existing associated permits and amount of overlapping security			
Permit: _____			\$0.00
Permit: _____			\$0.00
Permit: _____			\$0.00
Permit: _____			\$0.00
Overlapping Securities, total of above		F	\$0.00
Final Security Determination			
Subtract overlapping securities (F) from calculated security (E)			\$35,825.72

Comments	
None	