



SAHTÚ RENEWABLE RESOURCES BOARD

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Larry Wallace, Chair
Sahtu Land and Water Board

Delivered via email

February-1-13

RE: Husky Oil Operations Limited Surface Water and Groundwater Monitoring Plan for Land Use Permit S12X-006

Dear Mr. Wallace:

Thank you for the opportunity to review the Surface Water and Groundwater Monitoring Plan submitted by Husky Oil Operations Limited (Husky) in response to requirement D.22 of Land Use Permit (LUP) S12X-006. The Sahtú Renewable Resources Board (SRRB) appreciates that Husky has provided some additional detail in its response to our November 21 letter of comment on LUP S12X-006, and in its more recent Groundwater Monitoring Plan. However, we also wish to offer recommendations with respect to four issues that should be explicitly addressed in the Plan.

The SRRB recognizes Husky's positive responses to several of our recommendations related to surface/subsurface water monitoring, including:

- Isotope testing of any naturally occurring gases found in the groundwater, along with isotope testing of each gas-bearing zone in the well.
- Agreement to follow the Alberta Environment Standard for Baseline Water Well Testing for Coalbed Methane (CBM) Operations.
- Commitment to making the groundwater monitoring data publicly available.
- Adequate planning for safe transportation and storage of waste fluids.
- Willingness to share baseline data with other operators and the public, and willingness to cooperate with SRRB and government agencies in compiling a regional environmental database.

The SRRB recommends the following enhancements to the Plan:

1. In their response to our November comment, Husky stated that its intent was to conduct groundwater sampling prior to hydraulic fracture stimulation at either of its wells. Husky should revise and clarify its schedule of activities to clearly indicate that baseline groundwater testing will be completed **before** well completion activities are carried out.
2. Husky should clarify whether methane/ethane/propane are specifically included within its testing parameters, and state this explicitly within its Groundwater Monitoring Plan.

3. Per the disclosure principles outlined by the Canadian Association of Petroleum Producers (CAPP) and the International Energy Agency, Husky should disclose in full the constituents of its frac fluids. Further, Husky should indicate which testing parameters coincide with chemicals being used on-site for fracturing and other down-hole activity. This will provide a basis for assessing whether abnormalities are caused by frac fluid contamination.
4. The sampling frequency should be increased, since twice a year does not provide adequate data set from which to establish a clear baseline and account for seasonal variability.

Husky has expressed a willingness to work together with the SRRB and Renewable Resources Councils (RRCs) in improving monitoring standards and protocols, and in working together with other companies to begin to address cumulative effects. The participation of two Husky staff at the Knowledge Sharing Workshop hosted by the Tulit'a RRC and SRRB with ConocoPhillips last December was valuable in establishing a basis for future collaboration along these lines. However, we disagree with Husky's statement that it is premature to begin a regional cumulative effects assessment.

It is our contention that proposed Surface Water and Groundwater Monitoring Plan presents an ideal opportunity to establish a framework for establishing regional baseline data and implementing a cumulative effects monitoring program. We thank Husky in advance for your support and involvement in planning a follow-up Knowledge Sharing Workshop in Tulit'a this coming May with the Norman Wells and Tulit'a RRCs, the SRRB and other leading industry operators in the shale oil play – this is a forum where issues such as this can be further discussed.

Sincerely,



Deborah Simmons
Executive Director