

National Energy
Board



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Angela Love
Regulatory Specialist
Sahtu Land and Water Board
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Dear Ms. Love;

**Husky Oil Operations Limited (Husky), Water Licence and Land Use Permit Applications,
2013 Slater River Drilling Project, Tulita District, NWT.**

At this time the National Energy Board (NEB) has no specific conditions for attachment to the Sahtu Land and Water Board (SLWB) or any other regulatory authority's permits, licences, or authorizations. As the designated regulatory authority pursuant to the *Mackenzie Valley Resource Management Act*, the NEB is providing recommendations on the factors to be considered in the Preliminary Screening for the Husky 2013 Slater River Drilling Project.

Principal Activities (relating to scoping)

- Construction (two wellsites and associated all weather access)
- Maintenance
- Operation (drilling, reservoir stimulation using vertical hydraulic fracturing methods, well evaluation, suspension activities)
- Exploration (well drilling)
- Camp
- Linear / corridor (new and existing all weather access to sites)
- Water intake

Principal Development Components (relating to scoping)

- Access road (all weather road construction and use of existing access)
- Automobile, aircraft or vessel movement (including use of an all-weather airstrip)
- Cutting of trees or removal of vegetation
- Drilling other than geo-scientific (oil and gas well)
- Fuel storage
- Hydrological testing (up to three ground water monitoring wells per wellsite)
- Site restoration (may be completed in summer)
- Slashing and removal of vegetation (bulldozing, mulching and hand cutting)

- Waste management
 - waste generation (incineration and transportation to approved facilities)
 - sewage
 - drilling wastes (to be trucked and or barged off-site)

- Other
 - water intake
 - air emissions (incineration and flaring)

Pursuant to the *Canada Oil and Gas Operations Act (COGOA)* and the *Canada Oil and Gas Drilling and Production Regulations (Drilling and Production Regulations)*, the NEB regulates oil and gas exploration and production work or activities in non-Accord frontier lands such as the Northwest Territories. The work or activities that the NEB regulates may include well drilling, downhole completion, facility construction, production operations and well or facility abandonment. Drilling and well completion techniques must meet NEB requirements for safety, environmental protection and conservation of resources.

Operator requirements for safety, protection of the environment and conservation of the resources specified in the COGOA, the *Drilling and Production Regulations*, and the *Oil and Gas Occupational Safety and Health Regulations (OSH Regulations)* will, as appropriate, continue to apply to the operator.

Please note the following information when considering the preliminary screening:

- All operation-related reportable spills as outlined in the 2011 Northwest Territories-Nunavut Spills Working Agreement will be reported to the NWT-Nunavut 24-hour Spill Report Line (867-920-8130) - the Spill Report Line contractor will assign the appropriate lead agency, e.g., NEB for spills at the drilling site;
- Husky and any contractors must meet the requirements of the OSH Regulations for the development;
- Potable water quality is regulated by the NEB under the OSH Regulations;
- The NEB will review Husky's and/or any contractor's contingency plan information with respect to
 - (i) procedures for the activation of the plan,
 - (ii) an identification of, and response tasks of, the personnel,
 - (iii) an identification of available resources (including contact lists),
 - (iv) an acceptable level of preparedness (hazard analysis, training and maintenance of response equipment),
 - (v) response procedures for environmental spills (including fuel spills and equipment leaks),
 - (vi) a waste management plan (from operations, equipment maintenance, personal garbage, and camp operations),
 - (vii) fuel storage plan,
 - (viii) emergency response procedures in case of fire,
 - (ix) decision flow charts, and
 - (x) emergency and spills reporting forms and procedures;
- Section 18 of the *Drilling and Production Regulations* requires that an operator must ensure compliance with a management system as described in Section 5;
- Section 23 of the *Drilling and Production Regulations* indicates that the operator shall ensure that all chemical substances, including process fluids and diesel fluid, waste material,

- drilling fluid and drill cuttings generated at an installation, are handled in a way that does not create a hazard to safety or the environment; and
- Section 67 of the *Drilling and Production Regulations* indicates that no operator shall flare or vent gas unless it is otherwise permitted in the approval issued under subsection 52(4) or in the Operations Authorization.

If you have any questions regarding the above, please call me at (403) 299-3869. Thank you.

Yours truly,

Christy Wickenheiser
Environmental Specialist

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Kim Richards, Drilling Superintendent, Husky Oil Operations, Kim.Richards@huskyenergy.com