



**Indian and Northern
Affairs Canada**
<http://www.ainc-inac.gc.ca>

North Mackenzie District
P.O. Box 2100
Inuvik, NT X0E 0T0

**Affaires Indiennes
et du Nord Canada**
<http://www.ainc-inac.gc.ca>

Telephone: 867 777-8900
Fax: 867-777-2090

RECEIVED
AUG 29 2011

August 18, 2011

Devlan Exploration (Chinook Energy)
700-700 2nd Street SW
Calgary, AB T2P 2W1

Attn: Darren Tomecek

**RE: Land Use Permit G2002A0011
OIL AND GAS DRILLING – WELLSITE C-36 sump**

To: Darren Tomecek,

An inspection of the above noted operation was conducted on August 17, 2011 by Resource Management Officer Donald Arey.

Enclosed is a copy of the Environmental Inspection Report. Please refer to the general comments section of this report.

If you have any questions, please contact me at 867 777-8900.

Regards,

A/ Conrad Baetz
Manager North Mackenzie District

Cc: GLWB



ENVIRONMENTAL INSPECTION REPORT

Permittee:	Devlan Exploration (Chinook Energy)	Permit Expiry Date:	December 31, 2005
Land Use Permit No.	G2002A0011	Previous Inspection:	August 31, 2010
Quarrying Permit No.		Inspection Date:	August 17, 2011
Contractor:		Subcontractor:	
Location(s) Inspected:	C-36 sump		
Current Stage of Operation:	monitoring		
Program Modifications Approved:			

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "N/I" - Not Inspected

Operating Condition	Aspect Inspected				
	C-36				
Location as Permitted	A				
Time as Permitted	A				
Methods & Techniques	A				
Facilities	A				
Erosion (Control or Prevention)	A (See notes)				
Brush Disposal	A				
Restoration of Lands	A				
Permits	A				

Explanatory Remarks -

C-36:

All aspects inspected have no changes since our last inspection of 2010, except a couple pieces of plastic debris and an old wrench. The NW corner of the sump is beginning to show signs of deterioration this appears to be from run-offs in the spring. Chinook Energy Darren Tomecek did advise that their plan was restore the site as close as possible to its original state. Some considerations was to have the spring runoffs detoured to the east side or from the back side of the sump and fill in the sump with the existing fill from the edges of the sump. Darren did indicate that a meeting will be held in the community of Tsiigehtchic to address their (Chinook) plans and any of the community concerns.

N/A
Representative Signature

[Signature]
Inspector's Signature