

**Conditions Annexed to and Forming Part of Land Use Permit # MV2021X0015 (DRAFT)**

**Part A: Scope of Permit**

1. This Permit entitles the Permittee to conduct the following land-use operation:
  - a) Abandonment and reclamation of well site N-18 and related activities;
  - b) Fuel and hazardous materials storage; and
  - c) Use of equipment, vehicles, and machines.
2. This Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, item 1 of this Permit.
3. Compliance with the terms and conditions of this Permit does not excuse the Permittee from its obligation to comply with the requirements of any applicable Federal, Territorial, or Municipal laws.

**Part B: Definitions** (defined terms are capitalized throughout the Permit)

**Act** - the *Mackenzie Valley Resource Management Act*.

**Board** - the Mackenzie Valley Land and Water Board established under Part 4 of the Act.

**Borehole** - a hole that is made in the surface of the ground by drilling or boring.

**Closure and Reclamation** - the process and activities that facilitate the return of areas affected by the Project to viable and, wherever practicable, self-sustaining ecosystems that are compatible with a healthy environment, human activities, and the surrounding environment.

**Drilling Fluid** - any liquid mixture of water, sediment, drilling muds, chemical additives or other wastes that are pumped down hole while drilling and are specifically related to drilling activity.

**Drilling Waste** - all materials or chemicals, solid or liquid, associated with drilling, including drill cuttings and Drilling Fluids.

**Engagement Plan** - a document, developed in accordance with the Board's *Engagement and Consultation Policy* and the *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*, that clearly describes how, when, and which engagement activities will occur with an affected party during the life of the project.

**Flowing Artesian Well** - a well in which water:

- a) Naturally rises above the ground surface or the top of any casing; and
- b) Flows naturally, either intermittently or continuously.

**Fuel Storage Container** - a container for the storage of petroleum or allied petroleum products with a capacity of less than 230 litres.

**Fuel Storage Tank** - a closed container for the storage of petroleum or allied petroleum products with a capacity of more than 230 litres.

**Greywater** - all liquid wastes from showers, baths, sinks, kitchens, and domestic washing facilities but not including toilet wastes.

**Habitat** - the area or type of site where a species or an individual of a species of wildlife naturally occurs or on which it depends, directly or indirectly, to carry out its life processes.

**Inspector** - an Inspector designated by the Minister under the Act.

**Minister** - the Minister of Indian Affairs and Northern Development Canada or the Minister of the Government of the Northwest Territories – Department of Lands, as the case may be.

**Ordinary High-Water Mark** - the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing waters (rivers, streams) this refers to the “active channel/bank-full level” which is often the 1:2 year flood flow return level. In inland lakes, wetlands, or marine environments, it refers to those parts of the Watercourse bed and banks that are frequently flooded by water so as to leave a mark on the land and where the natural vegetation changes from predominately aquatic vegetation to terrestrial vegetation (excepting water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).

**Permittee** - the holder of this permit.

**Progressive Reclamation** - Closure and Reclamation activities conducted during the operating phase of the project.

**Secondary Containment** - containment that prevents liquids that leak from Fuel Storage Tanks or containers from reaching outside the containment area and includes double-walled Tanks, piping, liners, and impermeable barriers.

**Sewage** - all toilet wastes and Greywater.

**Spill Contingency Plan** - a document, developed in accordance with Aboriginal Affairs and Northern Development Canada’s *Guidelines for Spill Contingency Planning* that describes the set of procedures to be implemented to minimize the effects of a spill.

**Safety Data Sheet** - a technical document, typically written by the manufacturer or supplier of a chemical, that provides information about the hazards associated with the product, advice about safe handling and storage, and emergency response procedures.

**Toxic Material** - any substance that enters or may enter the environment in a quantity or concentration or under conditions such that it:

- a) Has or may have an immediate or long-term harmful effect on the environment or its biological diversity;
- b) Constitutes or may constitute a danger to the environment on which life depends; or

c) Constitutes or may constitute a danger in Canada to human life or health.

**Waste** - any garbage, debris, chemical, or Toxic Material to be used, stored, disposed of, or handled on land, and also as defined in section 51 of the Act.

**Waste Management Plan** - a document, developed in accordance with the Board's Guidelines for Developing a Waste Management Plan, that describes the methods of Waste management from Waste generation to final disposal.

**Watercourse** - a natural body of flowing or standing water or an area occupied by water during part of the year, and includes streams, springs, swamps and gulches but does not include groundwater.

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**Part C: Conditions Applying to All Activities** (headings correspond to subsection 26(1) of the Mackenzie Valley Land Use Regulations)

Condition	Category
<b>26(1)(a) Location and Area</b>	
1. The Permittee shall only conduct this land-use operation on lands designated in the application.	<b>LOCATION OF ACTIVITIES</b>
<b>26(1)(b) Time</b>	
2. At least 48 hours prior to the initial commencement of the land-use operation, the Permittee's Field Supervisor shall notify the Board and contact an Inspector at (867) 874-6995.	<b>INITIAL NOTIFICATION – CONTACT INSPECTOR</b>
3. At least 48 hours prior to commencement of the land-use operation, the Permittee shall provide the following information, in writing, to the Board and an Inspector: a) the name(s) of the person(s) in charge of the field operation; b) alternates; and c) all methods for contacting the above person(s).	<b>IDENTIFY AGENT</b>
4. At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of: a) the plan for removal or storage of equipment and materials; b) when final cleanup and reclamation of the land used will be completed; and c) when the Final Plan will be submitted.	<b>REPORTS BEFORE FINAL REMOVAL</b>
<b>26(1)(c) Type and Size of Equipment</b>	
5. The Permittee shall only use equipment of a similar type, size, and number to that listed in the complete application.	<b>USE APPROVED EQUIPMENT</b>
<b>26(1)(d) Methods and Techniques</b>	
6. Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing below ground level.	<b>OIL AND GAS DRILL CASINGS</b>
<b>26(1)(e) Type, Location, Capacity, and Operation of All Facilities</b>	
7. The Permittee shall ensure that the land use area is kept clean at all times.	<b>CLEAN WORK AREA</b>

**26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land**

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| 8.  | The land-use operation shall not cause obstruction to any natural drainage.  | <b>NATURAL DRAINAGE</b>                      |
| 9.  | The Permittee shall install and maintain suitable erosion control structures as the land-use operation progresses.   | <b>PROGRESSIVE<br/>EROSION CONTROL</b>       |
| 10. | The Permittee shall apply appropriate mitigation at the first sign of erosion.   | <b>REPAIR<br/>EROSION</b>                    |
| 11. | The Permittee shall, where flowing water from a Borehole is encountered:<br>a) plug the Borehole in such a manner as to permanently prevent any further outflow of water; and<br>b) immediately report the occurrence to the Board and an Inspector. | <b>FLOWING ARTESIAN<br/>WELL</b>             |
| 12. | The Permittee shall prepare the site in such a manner as to prevent rutting or gouging of the ground surface.  | <b>PREVENTION OF<br/>RUTTING</b>             |
| 13. | The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting or gouging.  | <b>SUSPEND OVERLAND<br/>TRAVEL</b>           |
| 14. | 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.   | <b>VEHICLE MOVEMENT<br/>FREEZE-UP</b>        |
| 15. | The Permittee shall not remove vegetation or operate heavy equipment within 100 metres of the Ordinary High-Water Mark of any Watercourse.   | <b>EQUIPMENT:<br/>WATERCOURSE<br/>BUFFER</b> |
| 16. | The Permittee shall not excavate land within 100 metres of the Ordinary High-Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.  | <b>EXCAVATION SETBACK</b>                    |

**26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material**

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| 17. | The Permittee shall only use Drilling Fluids that were identified in the complete application, unless the Safety Data Sheets are provided to the Board and Inspector and usage of the chemical(s) is approved by the Board. | <b>OIL AND GAS<br/>DRILLING CHEMICALS</b> |
| 18. | At least seven days prior to the use of any chemicals that were not identified in the complete application, the Safety Data Sheets must be provided to the Board and an Inspector.  | <b>CHEMICALS</b>                          |
| 19. | The Permittee shall remove all Drilling Waste containing Toxic Material to an approved disposal facility.   | <b>DRILLING WASTE<br/>DISPOSAL</b>        |

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| 20. The Permittee shall not allow any Drilling Waste to spread to the surrounding lands or Watercourses.  | <b>DRILLING WASTE<br/>CONTAINMENT</b>               |
| 21. The Permittee shall ensure that all Drilling Fluids, flowback, and produced water wastes are contained in storage tank(s) located within a bermed area with leak detection and a synthetic liner that is considered impermeable and is capable of containing 110% of the total volume of the largest storage tank(s) employed within the bermed area. | <b>OIL AND GAS<br/>WASTEWATER<br/>CONTAINMENT</b>   |
| 22. Prior to rig removal, the Permittee shall supply, to the Board and an Inspector, a list of mud components used during the drilling operation.   | <b>OIL AND GAS MUD<br/>COMPONENTS</b>               |
| 23. The Permittee shall dispose of all Toxic Material as described in the approved Waste Management Plan.   | <b>WASTE CHEMICAL<br/>DISPOSAL</b>                  |
| 24. The Permittee shall dispose of all combustible Waste petroleum products by removal to an approved disposal facility.  | <b>WASTE PETROLEUM<br/>DISPOSAL</b>                 |
| 25. The Permittee shall provide written notification to the Board and Inspector a minimum of 10 days prior to the initial deposit of Waste, demonstrating that the licenced disposal facility has agreed to accept the Waste and has the capacity to receive the volumes of Waste requested.  | <b>NOTIFICATION OF<br/>SOLID WASTE<br/>DISPOSAL</b> |
| <b>26(1)(h) Wildlife and Fish Habitat</b>   |   |
| 26. The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.   | <b>HABITAT DAMAGE</b>                               |
| <b>26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage</b>   |   |
| 27. The Permittee shall dispose of all Waste as described in the <b>Waste Management Plan</b> , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.    | <b>WASTE MANAGEMENT</b>                             |
| 28. The Permittee shall keep all garbage and debris in a secure container until disposal.   | <b>GARBAGE CONTAINER</b>                            |
| 29. The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan.   | <b>SEWAGE DISPOSAL -<br/>PLAN</b>                   |
| <b>26(1)(j) Protection of Historical, Archaeological, and Burial Sites</b>  |   |
| 30. The Permittee shall not operate any vehicle or equipment within 150 metres of a known or suspected historical or archaeological site or burial ground.  | <b>ARCHAEOLOGICAL<br/>BUFFER</b>                    |

31. The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site. **SITE DISTURBANCE**

32. The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: **SITE DISCOVERY AND NOTIFICATION**

- a) immediately suspend operations on the site; and
- b) notify the Board at (867) 669-0506 or an Inspector at (867) 874-6995, and the Prince of Wales Northern Heritage Centre at (867) 767-9347 ext. 71251 or ext. 71255.

**26(1)(k) Objects and Places of Recreational, Scenic, and Ecological Value**

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**26(1)(l) Security Deposit**

33. Prior to the commencement of the land-use operation, the Permittee shall deposit with the Minister a security deposit in the amount of \$ [REDACTED]. **SECURITY DEPOSIT**

34. All costs to remediate the area under this Permit are the responsibility of the Permittee. **RESPONSIBILITY FOR REMEDIATION COSTS**

**26(1)(m) Fuel Storage**

35. The Permittee shall: **REPAIR LEAKS**  

- a) examine all Fuel Storage Containers and Tank for leaks; and
- b) repair all leaks immediately.

36. The Permittee shall place Fuel Storage Containers and or Tanks a minimum of 100 metres from the Ordinary High-Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. **FUEL STORAGE SETBACK**

37. The Permittee shall ensure that all fuel caches have adequate Secondary Containment. **FUEL CACHE SECONDARY CONTAINMENT**

38. The Permittee shall set up all refueling points with Secondary Containment. **SECONDARY CONTAINMENT – REFUELING**

39. The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses. **FUEL CONTAINMENT**

40. The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name. **MARK CONTAINERS AND TANKS**

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| 41. The Permittee shall mark all stationary fuel caches and fuel storage facilities with flags, posts, or similar devices so that they are at all times plainly visible to local vehicle travel.   | <b>MARK FUEL LOCATION</b>     |
| 42. The Permittee shall have a maximum of 820 litres of fuel stored on the land use site at any time, unless otherwise approved by the Board.  | <b>MAXIMUM FUEL ON SITE</b>   |
| 43. Within ten days of the establishment of any fuel cache, the Permittee shall report the location and quantity of the cache in writing to the Board and an Inspector.  | <b>REPORT FUEL LOCATION</b>   |
| 44. The Permittee shall seal all outlets of Fuel Storage Containers and store the containers on their sides with the outlets located at 3 and 9 o'clock, except for containers currently in use.   | <b>SEAL OUTLET</b>            |
| 45. The Permittee shall comply with the <b>Spill Contingency Plan</b> , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.   | <b>SPILL CONTINGENCY PLAN</b> |
| 46. Prior to commencement of the land-use operation the Permittee shall ensure that spill-response equipment is in place to respond to any potential spills.   | <b>SPILL RESPONSE</b>         |
| 47. All equipment that may be parked for two hours or more, shall have a hazmat/drip tray under it or be sufficiently diapered. Leaky equipment shall be repaired immediately.   | <b>DRIP TRAYS</b>             |
| 48. The Permittee shall clean up all leaks, spills, and contaminated material immediately.   | <b>CLEAN UP SPILLS</b>        |
| 49. During the period of this Permit, if a spill occurs or is foreseeable, the Permittee shall: <ul style="list-style-type: none"> <li>a) implement the approved Spill Contingency Plan;</li> <li>b) report it-immediately using the NU-NT Spill Report Form by one of the following methods: <ul style="list-style-type: none"> <li>• Telephone: (867) 920-8130</li> <li>• Fax: (867) 873-6924</li> <li>• E-mail: <a href="mailto:spills@gov.nt.ca">spills@gov.nt.ca</a></li> <li>• <u>Online: Spill Reporting and Tracking Database</u></li> </ul> </li> <li>c) within 24 hours, notify the Board and an Inspector; and</li> <li>d) within 30 days of initially reporting the incident, submit a detailed report to the Board and an Inspector, including descriptions of causes, response actions, and any changes to procedures to prevent similar occurrences in the future. Any updates to this report shall be provided to the Board and an Inspector in writing as changes occur.</li> </ul> | <b>REPORT SPILLS</b>          |



**26(1)(n) Methods and Techniques for Debris and Brush Disposal**

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| 50. The Permittee shall progressively dispose of all brush and trees; all disposal shall be completed prior to the end of this land use operation | <b>BRUSH DISPOSAL/<br/>TIME</b>  |
| 51. The Permittee shall not clear areas larger than identified in the complete application.   | <b>MINIMIZE AREA<br/>CLEARED</b> |

**26(1)(o) Restoration of the Lands**

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| 52. All areas affected by construction or removal activities shall be stabilized and landscaped to their pre-construction profiles, unless otherwise authorized in writing by an Inspector. | <b>PRE-CONSTRUCTION<br/>PROFILES</b>     |
| 53. The Permittee shall dispose of all overburden as approved by the Board, or as otherwise authorized in writing by an Inspector.  | <b>DISPOSAL OF<br/>OVERBURDEN</b>        |
| 54. Prior to the end of the land-use operation, the Permittee shall complete all cleanup and restoration of the lands used.   | <b>FINAL CLEANUP AND<br/>RESTORATION</b> |
| 55. Prior to the end of the land-use operation, the Permittee shall prepare the site in such a manner as to facilitate natural revegetation.  | <b>NATURAL VEGETATION</b>                |
| 56. The Permittee shall carry out Progressive Reclamation of disturbed areas as soon as it is practical to do so.   | <b>PROGRESSIVE<br/>RECLAMATION</b>       |

**26(1)(p) Display of Permits and Permit Numbers**

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| 57. The Permittee shall keep a copy of this Permit on hand at all times during this land-use operation. | <b>COPY OF PERMIT</b> |
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**26(1)(q) Biological and Physical Protection of the Land**

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| 58. If nesting areas are encountered during the course of operations, the Permittee shall minimize all activity so as to not disturb them.  | <b>MIGRATORY BIRD<br/>NEST DISTURBANCE</b> |
| 59. If any plan is not approved by the Board, the Permittee shall revise the plan according to the Board's direction and re-submit it to the Board for approval.  | <b>RESUBMIT PLAN</b>                       |
| 60. The Permittee shall comply with the <b>Engagement Plan</b> , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval. | <b>ENGAGEMENT PLAN</b>                     |
| 61. All revised plans submitted to the Board shall include a brief summary of the changes made to the plan.   | <b>SUMMARY OF<br/>CHANGES</b>              |