



**NORTHROCK RESOURCES LTD.**

**NORTHROCK RESOURCES LTD.**

**LAND USE PERMIT  
and  
WATER LICENCE APPLICATION**

**SUMMIT CREEK DRILLING PROGRAM 2004/2005**

**Prepared for:  
Northrock Resources Ltd.  
3500, 700 – 2 Street SW  
Calgary, Alberta T2P 2W2**

**Submitted to:**



**SAHTU LAND AND WATER BOARD**

**Prepared by:  
Northern EnviroSearch Ltd.  
330, 703 – 6 Avenue SW  
Calgary, Alberta T2P 0T9  
Phone: 403-543-5353 Fax: 403-233-2513**



NESL 1988NT04

July 2004



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# 1 Introductory Letter



**NORTHROCK RESOURCES LTD.**  
A WHOLLY OWNED SUBSIDIARY OF UNOCAL CORPORATION

July 16, 2004

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

**Attention:** George Govier  
Executive Director

Dear Sir,

**Re: Land and Water Use Permit Application for the Summit Creek 2004/2005 Drilling Program**

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Please find enclosed an application for Land and Water Permits for the Northrock Resources Ltd. Summit Creek 2004/2005 Drilling Program. The project includes the drilling of an exploratory well approximately 60km south of the Hamlet of Tulita, NT and follows up on the 2004 Summit Creek B-44 Drilling Program. This project will be conducted concurrently with further reservoir evaluation of the B-44 well and will use the existing access previously permitted under Land Use Permit S02A-004 and Water Licence S02L1-003. As with the 2004 program the Keele River Staging Area (Land Use Permit S02T-002) will be used to stockpile equipment for both projects prior to freeze-up in the fall.

The specific location of the wellsite has not been determined and will be selected based upon the interpretation of seismic data that will be acquired during August and September of this year. In the interim, four potential locations have been identified, of which, one will be selected as the drilling location. There is also the strong possibility that the location may be moved after a review of the seismic data. The four locations are representative of the different terrain types present in the area.

One complete copy each of the benefits plan and access agreement for the freehold and crown lands are enclosed. Evidence of these agreements in the form of copies of the front and signature pages is included in the remaining copies. Please consider the contents of the plan and agreements confidential and not for distribution.

Two cheques in the amounts of \$760.00 and \$30.00 made out to the Receiver General for Canada is attached to cover the land use permit and water licence fees respectively. Should you have any questions regarding this application please contact the undersigned at your convenience by telephone: (403) 213-7450, fax: (403) 269-2217, or by email: [Merchant@northrock.ab.ca](mailto:Merchant@northrock.ab.ca). Alternatively, please contact Laurier Laprise, Team Leader,



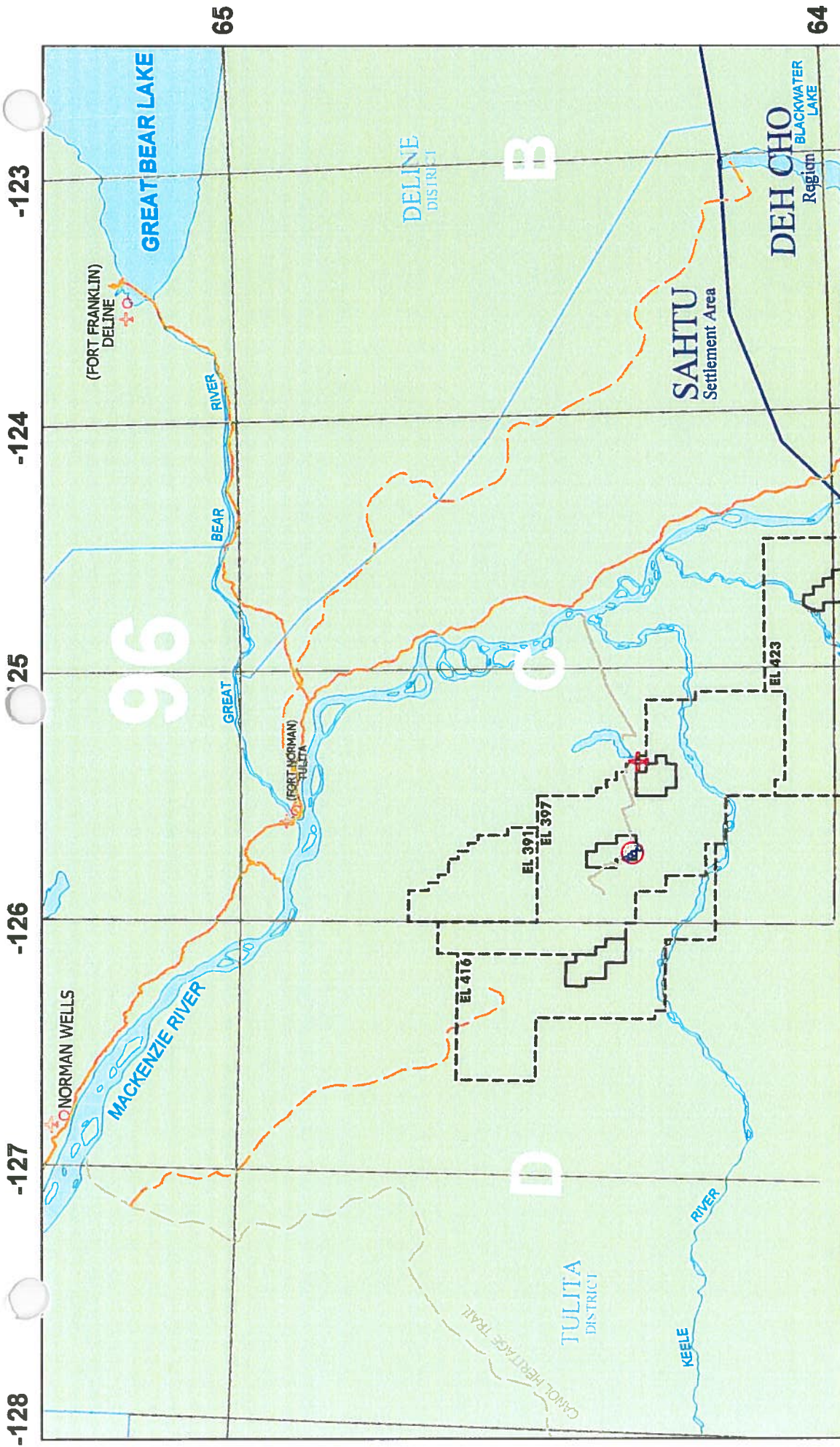
Surface Land by telephone: (403) 213-7646, fax: (403) 269-2217, or by email:  
[Laprise@northrock.ab.ca](mailto:Laprise@northrock.ab.ca).

Yours truly,  
**NORTHROCK RESOURCES LTD.**

**Brian Merchant**  
**Drilling Manager**

Encl.  
Attach.

**2 Area Map**



**PROGRAM LOCATION MAP**  
 Summit Creek 2004/2005  
 Drilling Program

**NR NORTHROCK**

**MEMBERS ENVIROSEARCH**

**Divestco Inc.**  
 July 15, 2004

Divestco Project # 040219\_Regional

### **3 Land Use Permit Application**





# SAHTU Land and Water Board Land Use Permit Application

Mackenzie Valley Land Use Regulations SCHEDULE 2

Information In Support of an Application for a Land Use Permit

New Application

Amendment

<p>1. Applicant's name and mailing address          Northrock Resources Ltd.          3500, 700 – 2<sup>nd</sup> Street SW          Calgary, Alberta          T2P 2W2          Attention: Brian Merchant</p>	<p>Fax no. (403) 269-2217</p> <p>Telephone no. (403) 213-7600</p>														
<p>2. Head office address</p> <p>As above</p> <p>Field Supervisor TBA</p>	<p>Fax no.</p> <p>Telephone no.</p> <p>Radiotelephone no.</p>														
<p>3. Other personnel (subcontractor, contractors, company staff etc.)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Access Route/ Drilling Site construction</td> <td>To be determined</td> </tr> <tr> <td>Rig Move</td> <td>To be determined</td> </tr> <tr> <td>Drilling Contractor</td> <td>To be determined</td> </tr> <tr> <td>Drilling Fluids</td> <td>To be determined</td> </tr> <tr> <td>Cementing Services</td> <td>To be determined</td> </tr> <tr> <td>Open Hole Logging</td> <td>To be determined</td> </tr> <tr> <td>Camp/Catering</td> <td>To be determined</td> </tr> </table> <p>Total number of persons on site Sixty (60)</p>		Access Route/ Drilling Site construction	To be determined	Rig Move	To be determined	Drilling Contractor	To be determined	Drilling Fluids	To be determined	Cementing Services	To be determined	Open Hole Logging	To be determined	Camp/Catering	To be determined
Access Route/ Drilling Site construction	To be determined														
Rig Move	To be determined														
Drilling Contractor	To be determined														
Drilling Fluids	To be determined														
Cementing Services	To be determined														
Open Hole Logging	To be determined														
Camp/Catering	To be determined														
<p>4. Eligibility (Refer to section 18 of the Mackenzie Valley Land Use Regulations.)</p> <p>(a)(i) <input type="checkbox"/>      (a)(ii) <input checked="" type="checkbox"/>      (a)(iii) <input type="checkbox"/>      (b)(i) <input type="checkbox"/>      (b)(ii) <input type="checkbox"/></p>															

5. a) Summary of operation (describe purpose, nature and location of all activities)  
(Refer to paragraph 19(3)(b) of the Mackenzie Valley Land Use Regulations.)

The proposed project includes the preparation of a drilling lease, a camp and opening access from an existing access road to the drilling location and water source (Km 59 Lake), and the drilling of an exploratory well.

- b) Indicate if a camp is to be set up. (Provide details on a separate page, if necessary.)

A portable 34 man mobile camp will be used by the road construction crew. A 60-man camp will be set up near the wellsite to accommodate drilling personnel.

6. Summary of potential environmental and resource impacts (describe the effects of the proposed land-use operation on land, water, flora & fauna and related socio-economic impacts). (Use separate page if necessary.)

No significant environmental impact is anticipated. See attached EPP.

Project uses existing linear disturbances and trails for access. Winter construction will limit impact to land and water values. Consultations with community members and traditional land users revealed no significant concerns with the proposed project. Northrock has held discussions with the community on employment and business opportunities associated with the project.

7. Proposed restoration plans (use a separate page if necessary)

See attached EPP. Drilling waste and blackwater sumps will be closed and covered upon completion of the project. Slash cleared on access will be windrowed to permit access by community members. Access and wellsite will be inspected after breakup and damage to vegetation will be repaired as required.

8. Other rights, licences or permits related to this permit application (mineral rights, timber permits, water licences, etc.)

Exploration Licence EL-397, M-37 Sahtu Land Freehold Lease

Roads:  N Is this to be a pioneered road?

The access will follow existing cutlines and previously developed access.

Y Has the route been laid out or ground truthed?

9. Proposed disposal methods See attached EPP

a) Garbage: Incineration c) Brush & trees: Windrow on access

b) Sewage (Sanitary & Grey Water): Rig camp – sump  
Sleigh camp – spread on surface d) Overburden (Organic soils, waste material, etc.):

10. Equipment (includes drills, pumps, etc.) (Use separate page if necessary.)

Type & number

Size - Dimensions Proposed use

See attached equipment list

11. Fuels	(√)	Number of containers	Capacity of containers	Location
Diesel	√	Either Two (2) OR 1 Envirotank	Either 2 x 63,500L OR 75,000L	Rig site * depending on quantities req'd
Gasoline				
Aviation Fuel				
Propane				
Other				
12. Containment fuel spill contingency plans (attach separate contingency plan if necessary) See attached spill response plan.				
13. Methods of fuel transfer (to other tanks, vehicles, etc.) See attached EPP				
14. Period of operation (includes time to cover all phases of project work applied for, including restoration) October 1, 2004 to April 30, 2005				
15. Period of permit (up to five years, with maximum of two years of extension)		Start Date October 1, 2004		Completion Date September 30, 2009
16. Location of activities by map co-ordinates (attach maps and sketches) See attached maps				
		Latitude	Longitude	
Camp Site		TBA (see attached EPP)		
Wellsite	D-72	N64° 21'03.8"	W125° 44'57.7"	
<i>Note: 4 options</i>	K-71	N64° 20'41.1"	W125° 44'20.5"	
	G-71	N64° 20'19.6"	W125° 43'39.0"	
	N-70	N64° 19'45.6"	W125° 42'23.6"	
Minimum latitude (degree, minute) 64° 19'		Maximum latitude (degree, minute) 64° 22'		
Minimum longitude (degree, minute) 125° 32'		Maximum longitude (degree, minute) 125° 34'		

Map Sheet no. 96C

17. Applicant (Print name in full) Brian Merchant

Signature



Date

July 16/04

18. Fees

Type A - \$150.00

Type B - \$150.00

Land Use Fees: 11.2 hectares @ \$50.00/hectare

\$510.00

Assignment fee

\$50.00

\$50.00

Total application and land use fees

\$760.00

Vendor: 26106 THE RECEIVER GENERAL FOR CANADA

CHEQUE NO. 0002235386

DATE July 14, 2004

Invoice	Date	Voucher	Invoice Amount	Deduction	Net Amount
2004/07/14	2004/07/14	2316935		\$0.00	\$760.00

Northrock Resources  
Suite 3500, 700 - 2nd Street SW  
Calgary, Alberta T2P 2W2

Northrock/Unocal Remittance - Detach Before Depositing

\$760.00



Northrock Resources  
Suite 3500, 700 - 2nd Street SW  
Calgary, Alberta T2P 2W2

The Toronto Dominion Bank  
340 - 5th Avenue S W  
Calgary, Alberta T2P 2P

CHEQUE NO. 0002235 8

DATE July 14 2004

PAY \*\*SEVEN HUNDRED SIXTY DOLLARS ZERO CENTS\*\*

PAY EXACTLY \$760.00\*  
NORTHROCK RESOURCES

TO THE ORDER OF

THE RECEIVER GENERAL FOR CANADA  
C/O SAHTU LAND & WATER BOARD  
BOX 1  
FORT GOOD HOPE NW/0E/00/0

*J. V. de P.*  
 *Terry Maney*

⑈0002235386⑈ 1.01489⑈004⑈

⑈21881⑈

## 4 Water Licence Application



# SAHTU Land and Water Board Water Licence Application

Northwest Territories Waters Regulation SCHEDULE III  
(Subsection 6(1))

APPLICATION FOR LICENCE, AMENDMENT OF LICENCE, OR RENEWAL OF LICENCE

APPLICATION/LICENCE NO:  
(amendment or renewal only)

1. NAME AND MAILING ADDRESS OF APPLICANT  
Northrock Resources Ltd.  
3500, 700 – 2<sup>nd</sup> Street SW  
Calgary, Alberta  
T2P 2W2

2. ADDRESS OF HEAD OFFICE IN CANADA IF INCORPORATED  
Same as Applicant.

TELEPHONE: (403) 213-7600  
FAX: (403) 269-2217

TELEPHONE: Same as Applicant  
FAX: Same as Applicant

3. LOCATION OF UNDERTAKING (describe and attach a map, indicating watercourses and location of any proposed waste deposits)  
Access will be constructed from between kilometer 55 to 60 along the existing B-44 access south to proposed drilling location, and Kilometre 59 Lake. A drilling waste sump and camp blackwater sump will be located near the wellsite and at the adjacent camp. See attached EPP and survey plan.

	Latitude:	Longitude
Well Name: <b>Northrock et al Summit Creek TBA</b>		
<i>4 possible locations:</i>		
D-72	N64° 21'03.8"	W125° 44'57.7"
K-71	N64° 20'41.1"	W125° 44'20.5"
G-71	N64° 20'19.6"	W125° 43'39.0"
N-70	N64° 19'45.6"	W125° 42'23.6"

4. DESCRIPTION OF UNDERTAKING (describe and attach plans)  
Drill an exploratory well in the Summit Creek area. Access will be developed using existing cutlines and new cutlines in burn areas. Water will be required for road building, camp site and lease construction, drilling fluids wash water and domestic water use in 60-man rig camp and portable 34-man sleigh camp.

WATER USE

To obtain water  Flood control \_\_\_\_\_  
To cross a watercourse  To divert water \_\_\_\_\_  
To modify the bed or bank of a watercourse \_\_\_\_\_ To alter the flow of, or store, water \_\_\_\_\_  
Other (describe) \_\_\_\_\_

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6. QUANTITY OF WATER INVOLVED (litres per second, litres per day or cubic metres per year, including both quantity to be used and quality to be returned to source)  
**Road construction** will utilize water from Km 59 Lake (on project map in Appendix 5). Access construction will require approximately 3,500m<sup>3</sup>  
**Rig and camp use** – 4,750m<sup>3</sup> will be required for drilling fluid, boiler operation and camp water. Water will be drawn from a nearby lake (Km 59 Lake on project map in Appendix 5).

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7. WASTE DEPOSITED (quantity, quality, treatment and disposal)  
**Drilling waste** – freshwater gel-chem (or equivalent) drilling mud and rock cuttings. Mix, bury and cover in sump at wellsite.  
**Blackwater** – Rig camp 60-man capacity – contained and buried in sump at rig camp. Portable 34-man sleigh camp- spread on ground. Sleigh camp will be moving with access construction crew and will not be sited in one place for any length of time.

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8. OTHER PERSONS OR PROPERTIES AFFECTED BY THIS UNDERTAKING (give name, mailing address and location; attach list if necessary)  
The project is located in the Tulita District of the Sahtu Region, on land administered by the Tulita Land and Financial Corporation.  
Refer to EPP for community consultations

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9. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION  
See attached EPP.

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10. CONTRACTOR AND SUB-CONTRACTORS (names, addresses and functions)

Access route/drilling site	to be determined by Tender
Rig Move	to be determined by Tender
Drilling Contractor	to be determined by Tender
Drilling Fluids	to be determined by Tender
Cementing Services	to be determined by Tender
Open Hole Logging	to be determined by Tender
Camp/Catering	to be determined by Tender

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11. STUDIES UNDERTAKEN TO DATE (attach list if necessary)

Traditional Environmental Knowledge Gathering Exercise  
Environmental Assessment  
Site Reconnaissance  
Selection and Assessment of Water Supply  
Please refer to EPP for details.

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12. PROPOSED TIME SCHEDULE

Access Construction – Dec, 2004 to January, 2005  
Rig and Camp Move-In and Set-Up - Jan. 2005  
Drilling – January to March/April, 2005  
Clean up and reclamation – April, 2005  
Start date December, 2004 Completion date April, 2005

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Brian Merchant  
NAME (Print)

Mgr. Drilling & Completions  
TITLE (Print)

  
SIGNATURE

July 16/04  
DATE

FOR OFFICE USE ONLY

APPLICATION FEE

Amount: \$ \_\_\_\_\_

Receipt No.: \_\_\_\_\_

WATER USE DEPOSIT

Amount: \$ \_\_\_\_\_

Receipt No.: \_\_\_\_\_

Vendor: 26106 THE RECEIVER GENERAL FOR CANADA

CHEQUE NO. 0002235387

DATE July 14, 2004

Invoice	Date	Voucher	Invoice Amount	Deduction	Net Amount
2004/07/14	2004/07/14	2316936		\$0.00	\$30.00

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\$30.00



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Calgary, Alberta T2P 2P

CHEQUE NO. 0002235387

DATE July 14, 2004

PAY \*\*THIRTY DOLLARS ZERO CENTS\*\*

PAY EXACTLY \*\$30.00\*  
NORTHROCK RESOURCES

TO THE ORDER OF  
THE RECEIVER GENERAL FOR CANADA  
C/O SAHTU'LAND & WATER BOARD  
BOX 1  
FORT GOOD HOPE NW 20E 010

*[Signature]*  
*[Signature]*

0002235387 01489004

21881