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File: 504A-006

Your file - Votre référence

Our file - Notre référence

19 January, 2005

Northrock Resources Ltd.  
Suite 3500, 700 2<sup>nd</sup> Street S.W.  
Calgary, AB  
T2P 2W2

Attn: Dan Kamieniecki, Drilling and Completions Superintendent

Re: <sup>504A-006</sup> Land use Permit ~~S02A-006~~, Summit Creek Drilling Program L-71

On 18 January, an inspection (report attached) was conducted on your L-71 drilling operations. We were accompanied by Jim Watson.

The road construction method used to access Lake #59 is unacceptable. Although it appears an attempt to restrict the damage done is being conducted, this access will have to be closely monitored and additional action may be required.

Please note the additional comments on the report.

If you have any questions regarding this inspection please feel free to contact me at (867) 587-2912.

Thank you

Louis Marion  
Resource Management Officer III, pipeline  
I.N.A.C. - North Mackenzie District

cc. Inuvik District Files  
Sahtu Land and Water Board



### ENVIRONMENTAL INSPECTION REPORT

Permittee:	Northrock Resources Ltd. Suite 3500, 700 - 2 <sup>nd</sup> Street, S.W. Calgary, AB T2P 2W2
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Land Use Permit No.	S04A-006	Permit Expiry Date	Last Previous Inspection
Quarrying Permit No.		11 September 2009	07 December 2004
Contractor:		Subcontractor:	

Location(s) Inspected:	L-71 wellsite, remote sump, drill camp, road access to Lake #59
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Current Stage of Operation:	construction of all facilities in progress
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Program Modifications Approved:	NIL
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Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "N/I" - Not Inspected

	Operating Condition	Aspect Inspected				
		L-71 wellsite	remote sump	drill camp	Lake #59 access	
A	Location as Permitted	A	A*	A	A	* see comments
B	Timing as Permitted	A	A	A	A	
C	Equipment as Approved (Type & Size )	A	A	A	A	
D	Methods & Techniques	A*	A*	A	U*	* see comments
E	Facilities	A	A	A*	A	* see comments
F	Erosion (Control or Prevention )	A*	A*	A	U*	* see comments
G	Chemicals	N/I	N/A	N/A	N/A	
H	Wildlife and Fisheries Habitat (Protection )	A	A*	A	*	* see comments
I	Wastes	N/I	N/A	*	A	* see comments
J	Historical / Archaeological Sites	N/I	N/I	N/I	N/I	
K	Ecological Resources	N/I	N/I	N/I	N/I	
M	Fuel Storage	N/I	N/A	N/I	A	
N	Brush Disposal	A	*	A	A	* see comments
O	Restoration of Lands	-	-	-	-	
P	Permits	N/I	N/I	N/I	N/I	
Q	Matters Not Inconsistent	A	A	A	A	
R	Sections 8 to 12 / 14 to 16 M.V.L.U.R.	A	A	A	A	
S						
T						

Explanatory Remarks (attach page 2 if required)

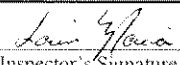
L-71 Wellsite - well pad and rig in process of being constructed - pad constructed by cut and fill method - berms around perimeter of pad and trench being constructed parallel to berms - containment on pad at access off pad to Lake #59 yet to be constructed - must be constructed prior to operations

Remote Sump - 3 sumps in process of being constructed - sump spoil pile pushed into standing trees - on completion of sumps, spoil pile to be removed from around trees - raised berms yet to be constructed  
- request use of sump prior to final completion of permeability test by Bob Raina and Sandra Lukas-Amulung because of delay in arriving at site - early use of sump will be dependant on results of preliminary tests due in a day or two

Drill Camp - camp facilities being constructed  
- temporary sump for domestic sewage and gray water constructed at site due to delay of water treatment plant (damaged during moving then repaired) - advised sump used for 3 days then backfilled as water treatment plant repaired and on site - sec 2.4 states 10 days notice required prior to backfilling any sump - notice should have been given prior to backfilling - sump not capped - sump is to be capped as required prior to spring break up

Lake #59 access - method of construction of this access is unacceptable - during initial construction of this access, ground vegetation and soil were dug up - sec. 4.2 states minimum of 10 cm of packed snow must cover the road - the concern is increased as the access is through a moderate incline drainage area into Lake #59 - at the time of this inspection, it was observed an attempt to contain the problem is being made by spreading snow on the road and watering - future inspections will more closely monitor this road - it is likely that erosion control may be required - this access must be closely monitored and corrective or restrictive action taken if environmental damage appears imminent.

Representative Signature

  
Inspector's Signature