



# Sahtu Land and Water Board

## Staff Report

<b>Division</b> Land Program	<b>Report No.</b> 04
<b>Date Prepared:</b> July 29, 2005	<b>File No.</b> S04A-006
<b>Meeting Date:</b> August 22, 2005	
<b>Subject:</b> Request for an Assignment of a Type A Land Use Permit from Northrock Resources Ltd. to Husky Oil Operations Ltd.	

### 1. Purpose/Report Summary

To inform the Board about a request for Assignment of a Type A Land Use Permit by Northrock Resources Ltd. to Husky Oil Operations Ltd.

### 2. Background

#### 2.1 Project Overview

An application for Assignment was submitted on July 27, 2005 by Husky Oil Operations Ltd. for Land Use Permit S04A-006, which is held by Northrock Resources Ltd. It was determined that Husky Oil would be the operator of this project. Northrock Resources Ltd. retains a Type A Land Use Permit for a exploratory well drilling 60 km SSW of Tulita in the Summit Creek area on Sahtu Lands and Exploration Licence 397 in the Tulita District.

Husky Oil submitted an Access Agreement with the Tulita District Land Corporation (that was originally between Northrock Resources Ltd.) along with their application for a heli-portable seismic operation. This access agreement was assigned, which gave permission to Husky Oil Operations Ltd. to access private lands in the Tulita district on EL397.

Assignment of the Access Agreement, dated May 20, 2005 contains signatures from both companies and respective land corporations granting approval of access. Upon assignment of this Land Use Permit, Husky Oil Operations Ltd. would hold the right of access on EL 397. Terms and Conditions would remain unchanged.

#### 2.2 Process Requirements

A Type A Land Use Permit is required for the following activities: drilling operations, road construction, construction of a lease and a camp. Fees of \$50.00 for the Land Use Permit assignment were submitted.

### **3. Comments**

#### **3.1 Permission of Land Owner/Community Consultation/TEK**

Husky Oil Operations Ltd. has an Access Agreement with the Tulita District Land Corporation and the local land corporations under its umbrella. Previous Community consultation and Traditional Environmental Knowledge presented in Staff Report No. 01 has not changed.

#### **3.2 Potential Environmental and Mitigation Measures**

No changes have been made to potential environmental impact and mitigation measures by the request for assignment of the Land Use Permit.

#### **3.3 Preliminary Environmental Screening**

The Preliminary Environmental Screening Report has not changed. Assignment of a Permit without a change in the type of development, or Terms and Conditions does not require Preliminary Screening by virtue of Exemption List Regulations, Schedule 1, Part 1 and Section 2.

#### **3.4 Conformity with Land Use Plan**

A referral letter dated August 24, 2004 from the Sahtu Land Use Planning Board (SLUPB) certifies that there is a Preliminary Draft Land Use Plan; however, there is no approved Land Use Plan for the area affected by the application. The SLUPB confirms that the Sahtu Land and Water Board has met the referral obligations as outlined in the Mackenzie Valley Resource Management Act.

Special Management Area - Stewart Lake has been identified as a Special Management Intensive Traditional Use Area. Oil and Gas Exploration and Development is an acceptable activity in this Traditional Use Area.

Conservation Area - Keele River is designated as a Conservation Area. The drilling program with proposed exploration activities would not be in conformity with the Preliminary Draft Plan for this area; however an approved Land Use Plan does not currently exist for the Sahtu Region.

#### **3.5 Draft Permit/Draft Licence**

Draft of the Permit is attached with the name change.

#### **3.6 Terms and Conditions**

Terms and Conditions remain the same.

### **4. Other Agency Comments**

The request for assignment was not sent to referral agencies because the scope of the project has not changed.

#### **4.1 Attachments**

Letter from Husky Oil Operations Ltd. dated July 21, 2005

## 5. Conclusion

The Preliminary Environmental Screening Report has not changed.

The request for Assignment, with Reasons for Decision has been submitted to the Board for approval. Should the Board grant approval, the Assignment could be issued upon the Board's decision.

## 6. Recommendation

It is recommended that the SLWB proceed with the Assignment of Land Use Permit S04A-006 from Northrock Ltd. to Husky Oil Operations Ltd by virtue of its authority under the Mackenzie Valley Land Use Regulations, Section 38.

## 7. Reference Material Attached

- 7.1 Draft Permit
- 7.2 Reasons for Decision

Respectfully submitted,



Tyree Mullaney  
Land Technician

Executive Director Comments:

*Agree with Conclusion & Recommendation.*



G.T. Govier  
Executive Director