



Northwest
Territories Industry, Tourism and Investment

16 May 2014

Ms. Miki Ehrlich
Regulatory Officer
Mackenzie Valley Land and Water Board
7th Floor – 4910 50th Avenue
P.O. Box 2130
Yellowknife, NT X1A 2P6

Dear Ms. Ehrlich,

**Apache Canada Ltd. (Apache)
Land Use Permit Application - Pointed Mountain Gas Field (MV2014X0011)**

As of the 1 April 2014, the regulation of oil and gas activities within the “onshore”, defined in the *Northwest Territories Act*, excluding the Inuvialuit Settlement Region and lands listed by order-in-council under subsection 52(5) of that Act, has been transferred from the National Energy Board to the Regulator designated under section 121 of the *Oil and Gas Operations Act* (OGOA).

At this time, we have no specific comments on Apache’s submissions and no conditions for attachment to the Mackenzie Valley Land and Water Board (MVLWB) permit.

The well, pipeline and facility abandonments and the disposal well use referred to in Apache’s submissions, will require authorizations under OGOA¹. Accordingly, we provide the following recommendations to the MVLWB on the factors to be considered in the preliminary screening under the *Mackenzie Valley Resource Management Act* (MVRMA).

Principal Activities (relating to scoping)

- Construction
- Operation (well and pipeline abandonment, wellbore repair, down-hole disposal)
- Camp
- Linear / corridor
- Water intake
- Abandonment

¹ Operations Authorization and Approval to Alter Condition of a Well.



Principal Development Components (relating to scoping)

- Access road
 - Construction
 - Abandonment/Removal
 - Modification
- Automobile, aircraft or vessel movement
- Cutting of trees or removal of vegetation
- Fuel storage
- Waste Management
- Sewage
- Bulk Soil Sampling
- Site Restoration
- Slashing and removal of vegetation
- Soil Testing
- Stream Crossing/Bridging
- Water Intake
- Other
 - air emissions (equipment)

Oil and gas activities in the Northwest Territories, outside of the excluded areas, are regulated under the OGOA and the *Oil and Gas Drilling and Production Regulations* (OGDPR), and include but are not limited to well drilling, down-hole completion, hydraulic fracturing, facility construction, production operations and well or facility abandonment. All oil and gas activities regulated under the OGOA must meet the Regulator requirements for safety, environmental protection and conservation of resources.

Operator requirements for safety, environmental protection and conservation of the resources specified in the OGOA, the OGDPR, and the *Oil and Gas Occupational Safety and Health Regulations* under the *Safety Act*, will, as appropriate, apply to the proposed activities.

When the Regulator receives an application for the proposed OGOA regulated activities, the MVLWB's preliminary screening will be reviewed to inform the Regulator's decision under subsection 124(4) of the MVRMA. The Regulator may decide to adopt the preliminary screening of the MVLWB as permitted by that subsection.

Please note that these comments are provided only in respect of the Regulator's authority under the OGOA, and that the departments of the GNWT will comment separately in this matter.

If you have any questions regarding the above, please contact the undersigned.

Yours truly,

A handwritten signature in blue ink, appearing to read 'James Fulford', with a stylized flourish at the end.

James Fulford
Executive Director
Office of the Regulator of Oil and Gas Operations

c.c.: Ms. Lynn Huntley
Senior Environmental Coordinator, Apache Canada Ltd.

Mr. Mark Cliffe-Phillips
Executive Director, Mackenzie Valley Environmental Impact Review Board