

DRAFT Conditions Annexed to and Forming Part of Land Use Permit MV2014X0011

Part A: Scope of Permit

1. This Permit entitles Apache Canada Ltd. to conduct the following land-use operation:

Decommissioning and Reclamation of the Pointed Mountain Gas Plant, associated well-sites and infrastructure located at:

NW Corner	Longitude 123° 55' 10"	Latitude 60° 27' 30"
NE Corner	Longitude 123° 39' 18"	Latitude 60° 27' 30"
SW Corner	Longitude 123° 55' 10"	Latitude 60° 11' 19"
SE Corner	Longitude 123° 39' 18"	Latitude 60° 11' 19"

2. The 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 absolve the Permittee from responsibility for compliance with the requirements of all applicable federal, territorial and municipal legislation.

Part B: Definitions

Act - the *Mackenzie Valley Resource Management Act*;

Archaeological Overview - as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

Archaeological Impact Assessment - as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

Board - the Mackenzie Valley Land and Water Board established under Part 4 of the *Mackenzie Valley Resource Management Act*;

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

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

Durable Land - land that is able to withstand repeated use, such as gravel or sand with minimal vegetative cover.

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 *Mackenzie Valley Resource Management Act*,

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).

Permafrost - ground (soil or rock) that remains at or below 0°C for at least two consecutive years.

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.

Spill Contingency Plan - a document, developed in accordance with Aboriginal Affairs and Northern Development Canada's *Guidelines for Spill Contingency Planning* (April 2007), that describes the set of procedures to be implemented to minimize the effects of a spill.

Sewage - all toilet wastes and Greywater.

Sewage Disposal Facilities - Sump(s) and/or Sewage collection tank(s) designed to hold Sewage.

Sump - a man-made pit or natural depression in the earth's surface used for the purpose of depositing waste material, such as non-Toxic Drilling Waste or Sewage, therein.

Toxic - a 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, or chemical or toxic material to be used, stored, disposed of, or handled on land, and also as defined in section 2 of the *Northwest Territories Waters Act*.

Waste Management Plan (WMP) - 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.

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

26(1)(a) LOCATION AND AREA

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| 1. | The Permittee shall not conduct this land use operation on any lands not designated in the complete application. | LOCATION OF ACTIVITIES |
| 2. | The Permittee shall not construct parallel lines or roads, unless an existing line or road cannot be used. | PARALLEL ROADS |
| 3. | The Permittee shall not conduct any part of the land use operation within 300 metres of a cabin used for traditional activities, including trapping, hunting, or fishing, unless otherwise authorized in writing by the Board. | AVOID CABINS |
| 4. | The Permittee shall locate all camps on Durable Land or previously cleared areas. | CAMP LOCATION |

26(1)(b) TIME

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| 5. | At least 48 hours prior to the commencement of this land use operation, the Permittee's Field Supervisor shall contact an Inspector at (867) 695-2626. | CONTACT INSPECTOR |
| 6. | At least 48 hours prior to commencement of this land use operation, the Permittee shall provide the following information, in writing, to the Board <u>and</u> 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). | IDENTIFY AGENT |
| 7. | At least ten days prior to the completion of the land use operation, | REPORTS |

the Permittee shall advise an Inspector of: (a) the plan for removal or storage of equipment and materials; and (b) when final clean-up and reclamation of the land used will be completed.

BEFORE
REMOVAL

8. The Permittee shall submit an annual progress report to an Inspector and the Board no later than March 31 following the reporting year, which shall contain at a minimum the following information:

ANNUAL
PROGRESS
REPORT

- a. A detailed description of work completed during the year to remediate the site;
- b. Any engineering studies/designs, monitoring, or remediation research completed or updated during the year,
- c. A description of important research results that will be used to inform remediation planning going forward;
- d. A detailed waste audit of all waste produced, transported, and disposal method/location (in volumes and by types). This includes all hazardous waste, waste petroleum products, and any other wastes identified in the Waste Management Plan;
- e. A summary of residual risks on the site to environmental, human and wildlife health;
- f. Updated remediation cost liability and financial security estimates;
- g. Updated life of project workplan for all project activities, including remediation, reclamation, and monitoring activities;
- h. A summary of all activities that took place under the Engagement Plan; and,
- i. Any revisions to the Remediation Plan. Revisions to the Remediation Plan will be for Board approval.

26(1)(c) TYPE AND SIZE OF EQUIPMENT

10. The Permittee shall not use any equipment except of a similar type, size, and number to that listed in the complete application.
11. The Permittee shall use portable ramps during loading or unloading of ships or barges.

ONLY
APPROVED
EQUIPMENT

PORTABLE
RAMPS

26(1)(d) METHODS AND TECHNIQUES

12. The Permittee shall plug all boreholes upon completion of operations at each borehole.
13. Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles.
14. Prior to the expiry of this Permit, the Permittee shall replace all

PLUG
BOREHOLES

DETOURS
AND
CROSSINGS

EXCAVATED
MATERIAL

excavated material, unless otherwise authorized in writing by an Inspector.

26(1)(e) TYPE, LOCATION, CAPACITY AND OPERATION OF ALL FACILITIES

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| 15. | The Permittee shall ensure that the land use area is kept clean at all times. | CLEAN WORK AREA |
| 16. | The Permittee shall not locate any Sump within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. | SUMPS FROM WATER |

26(1)(f) CONTROL OR PREVENTION OF PONDING OF WATER, FLOODING, EROSION, SLIDES AND SUBSIDENCE OF LAND

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| 17. | The Permittee shall install and maintain culverts such that scouring does not occur. | CULVERT SIZE |
| 18. | The Permittee shall insulate the ground surface beneath all structures associated with this land-use operation to prevent: (a) any vegetation present from being removed; (b) the melting of Permafrost; and (c) the ground settling and/or eroding. | PERMAFROST PROTECTION |
| 19. | The Permittee shall, where flowing water from a Borehole is encountered: (a) plug the bore hole in such a manner as to permanently prevent any further outflow of water; and (b) immediately report the occurrence to the Board and an Inspector. | FLOWING ARTESIAN WELL |
| 20. | The Permittee shall slope the sides waste material piles, excavations, and embankments — except in solid rock — to a minimum ratio of 2:1 vertical, unless otherwise authorized in writing by an Inspector. | EXCAVATIONS AND EMBANKMENTS |
| 21. | The Permittee shall minimize approach grades on all Watercourse crossings. | MINIMIZE APPROACH |
| 22. | The Permittee shall not ford wet streams. | NO FORDING OF STREAMS |
| 23. | The land use operation shall not cause obstruction to any natural drainage. | NATURAL DRAINAGE |
| 24. | The Permittee shall not cut any stream bank, unless otherwise authorized in writing by an Inspector. | STREAM BANKS |
| 25. | The Permittee shall minimize erosion by installing erosion control structures as the land use operation progresses. | PROGRESSIVE EROSION CONTROL |

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| 26. | The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface. | PREVENTION OF RUTTING |
| 27. | The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting. | SUSPEND OVERLAND TRAVEL |
| 28. | The Permittee shall not excavate land within 100 metres of Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. | EXCAVATE NEAR WATERCOURSE |

26(1)(g) USE, STORAGE, HANDLING AND ULTIMATE DISPOSAL OF ANY CHEMICAL OR TOXIC MATERIAL

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| 29. | The Permittee shall remove all Drilling Waste containing Toxic substances to an approved disposal facility. | DRILL WASTE DISPOSAL |
| 30. | The Permittee shall not allow any Drilling Waste to spread to the surrounding lands or Watercourses. | DRILL WASTE CONTAINMENT |
| 31. | Prior to the expiry date of this Permit or the end of operations, whichever comes first, the Permittee shall backfill and restore all Sumps, unless otherwise authorized in writing by an Inspector. | BACKFILL SUMPS |
| 32. | The Permittee shall dispose of all combustible waste petroleum products by removal to an approved disposal facility. | WASTE PETROLEUM DISPOSAL |
| 33. | The Permittee shall dispose of all Toxic substances in a manner as described in the approved Waste Management Plan and Remediation Plan. | WASTE CHEMICAL DISPOSAL |
| 34. | The Permittee shall maintain a record of all spills. For all reportable spills, in accordance with the GNWT <i>Spill Contingency Planning and Reporting Regulations</i> , the Permittee shall: <ul style="list-style-type: none"> a. immediately report each spill to the 24-hour Spill Report Line (867) 920-8130; b. report each spill to an Inspector within 24 hours; and c. submit, to the Board and an Inspector, a detailed report on each spill within 30 days. | REPORT SPILLS |

26(1)(h) WILDLIFE AND FISHERIES HABITAT

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| 35. | The Permittee shall take all reasonable measures to prevent damage to wildlife and fish habitat during this land use operation. | HABITAT DAMAGE |
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26(1)(i) STORAGE, HANDLING AND DISPOSAL OF REFUSE OR SEWAGE

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| 36. | The Permittee shall adhere to the approved Waste Management | WASTE |
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Plan 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.	MANAGEMENT
37. The Permittee shall dispose of all garbage, waste, and debris as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector.	REMOVE GARBAGE
38. The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan.	SEWAGE DISPOSAL
39. Solid waste and sewage shall be disposed of at a licensed facility that has the appropriate capacity and is in compliance with their Water Licence.	LICENSED FACILITY
40. The Licensee shall provide written notification to the Board and Inspector 10 days prior to the initial deposit of solid waste or sewage demonstrating that the facility has agreed to accept the solid waste or sewage and has the ability to receive the volume of Waste requested.	WRITTEN NOTIFICATION
41. The Permittee shall keep all garbage and debris in a secure container until disposal.	GARBAGE CONTAINER
26(1)(j) PROTECTION OF HISTORICAL, ARCHAEOLOGICAL AND BURIAL SITES	
42. The Permittee shall not operate any vehicle or equipment within 150 metres of a known or suspected historical or archaeological site or burial ground.	ARCHAEOLOGI CAL BUFFER
43. The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site.	SITE DISTURBANCE
44. The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: a. immediately suspend operations on the site; and b. notify the Board at (867)669-0506 or an Inspector at (867) 695-2626, and the Prince of Wales Northern Heritage Centre at (867) 920-6182 or 873-7688.	SITE DISCOVERY AND NOTIFICATION
45. At least _____ days prior to any new land disturbance, including new drill sites, the Permittee shall conduct an Archaeological Overview to identify areas of high and low potential for archaeological and burial sites and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre.	ARCHAEO LOGICAL OVERVIEW

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| 46. | Prior to disturbance in areas of high potential for archaeological or burial sites identified in the Archaeological Overview, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. | AIA –
HIGH
POTENTIAL |
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26(1)(k) OBJECTS AND PLACES OF RECREATIONAL, SCENIC AND ECOLOGICAL VALUE

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26(1)(l) SECURITY DEPOSIT

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| 47. | Prior to commencement of the land use operation, the Permittee shall deposit with the Minister a security deposit in the amount of \$_____. | SECURITY
DEPOSIT |
| 48. | All costs to remediate the area under this Permit are the responsibility of the Permittee. | RESPONSIBILIT
Y FOR
REMEDIATION
COSTS |

26(1)(m) FUEL STORAGE

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| 49. | The Permittee shall not place any fuel storage containers within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. | FUEL NEAR
WATER |
| 50. | The Permittee shall ensure that all fuel caches have adequate Secondary Containment. | FUEL CACHE
SECONDARY
CONTAINMENT |
| 51. | The Permittee shall set up all refueling points with Secondary Containment. | SECONDARY
CONTAINMENT
- REFUELING |
| 52. | The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name. | MARK
CONTAINERS |
| 53. | The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses. | FUEL
CONTAINMENT |
| 54. | The Permittee shall adhere to the approved Spill Contingency Plan 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. | SPILL
CONTINGENCY
PLAN |
| 55. | Prior to commencement of operations, the Permittee shall ensure that spill-response equipment is in place, to respond to any potential spills. | SPILL
RESPONSE |

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| 56. | The Permittee shall clean up all leaks, spills, and contaminated | CLEAN UP
SPILLS |
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material.

57. All equipment that may be parked for two hours or more, should have a haz-mat/drip tray under it, or be sufficiently diapered. Leaky equipment shall be repaired immediately. DRIP TRAYS

26(1)(n) METHODS AND TECHNIQUES FOR DEBRIS AND BRUSH DISPOSAL

58. The Permittee shall progressively dispose of all brush and trees and shall complete all brush disposal; all disposal shall be completed prior to the expiry date of this Permit. BRUSH DISPOSAL/TIME

59. The Permittee shall not clear areas larger than identified in the complete application. MINIMIZE AREA CLEARED

26(1)(o) RESTORATION OF THE LANDS

60. The Permittee shall store overburden and use it to recontour the site after operations are complete, unless otherwise authorized in writing by an Inspector. SAVE AND PLACE ORGANIC SOIL

61. Prior to the expiry date of this Permit, the Permittee shall complete all cleanup and restoration of the lands used. FINAL CLEAN-UP AND RESTORATION

62. The Permittee shall submit to the Board for approval a Final Remediation Plan at least four months prior to commencement of remediation implementation, which shall contain the following information: FINAL REMEDIATION PLAN

- a. A summary of all data from previous site investigations, including complete surface and subsurface characterization and contaminant characterization;
- b. Contaminants of concern to be addressed (including rationale for selection);
- c. Remediation objectives to be achieved (including rationale for selection);
- d. Identify the media affected;
- e. Identify, delineate, quantify, and characterize materials to be treated or removed;
- f. A summary of the remedial options evaluated and the methodology used to select the preferred strategy;
- g. Detailed description of the process of remediation using the selected technology;
- h. Details of sampling and analyses to be performed and quality assurance and quality control measures to be implemented;
- i. Control measures and contingency plans to mitigate potential adverse effects to adjacent receptors such as humans, ground and surface water, vegetation, and wildlife;

- j. Identify and map occurrence or habitat for the plant and animal species that have been listed as At Risk or May Be At Risk in the project area, and for each species, provide a plan to avoid potential adverse effects during the project lifetime;
 - k. Measures to minimize air emissions and control surface water;
 - l. Summary of archaeological resources on-site, identification of potential impacts to archaeological resources through remediation work, measures to be taken to avoid impacts, and contingency plans if impacts are unavoidable including details on how the Permittee will work with affected parties;
 - m. Contingency plan in the event that contaminants are released into the environment;
 - n. Identify the fate of residual contaminants;
 - o. Implementation plan including timeline and associated costs;
 - p. Remedial verification and land use restrictions that may apply to future use of the site; and
 - q. Long-term monitoring plans, including details and timing of sampling and analysis to be performed.
63. If not approved by the Board, the Remediation Plan shall be revised and resubmitted for approval within 45 days of receiving notification of the Board's decision. RESUBMIT PLAN IF NOT APPROVED
64. The Permittee shall adhere to the approved Remediation Plan and shall annually review the plan and modify the plan as necessary, or at the direction of the Board, to reflect changes in operations or technology. Revisions to the plan shall be submitted to the Board for approval. REMEDIATION PLAN
65. Prior to the expiry date of this Permit, the Permittee shall prepare the site in such a manner as to facilitate natural revegetation. NATURAL REVEGETATION
- 26(1)(p) DISPLAY OF PERMITS AND PERMIT NUMBERS**
66. The Permittee shall keep a copy of this permit on hand at all times during this land use operation. COPY OF PERMIT
- 26(1)(q) BIOLOGICAL AND PHYSICAL PROTECTION OF THE LAND**
67. If migratory birds or their nesting areas, or any species at risk are encountered during the course of operations, the Permittee shall minimize all activity so as to not disturb these animals. MIGRATORY BIRD DISTURBANCE
68. The Permittee shall adhere to the approved Engagement Plan 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. ENGAGEMENT PLAN

69. All revised plans submitted to the Board shall include a brief summary of the changes made to the plan.

SUMMARY OF
CHANGES

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