



Deh Cho Region
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August 30, 2016

Apache Canada Ltd.
2800 - 421 - 7th Avenue SW
Calgary, AB T2P 4K9

Attention: Lynn Huntley

| | |
|--------------------------|--------------------|
| File Number | MV2014X0011 |
| Type of Operation | MISC. |
| Location | Well Site A-3 |

Dear Lynn Huntley,

An inspection of the above noted operation was conducted on July 13, 2016 by Resource Management Officer II Kyle Christiansen and Manager, Resource Management Jarret Hardisty.

Enclosed is a copy of the Environmental Inspection Report.

If you have any questions, please contact me at 867-695-2626 ext.206.

Sincerely,

Kyle Christiansen
Resource Management Officer II
Department of Lands
Deh Cho Region

CC:

Permits – MVLWB

Jarret Hardisty – Manager, Resource Management, GNWT Lands, Deh Cho Region

Laurie Nadia – Regional Superintendent, GNWT Lands, Deh Cho Region



ENVIRONMENTAL INSPECTION REPORT

| | | | |
|--|--------------------|-----------------------------|---------------|
| Permittee: | Apache Canada Ltd. | Permit Expiry Date: | June 04, 2019 |
| Land Use Permit No. | MV2014X0011 | Previous Inspection: | July 13, 2016 |
| Quarrying Permit No. | | Inspection Date: | July 13, 2016 |
| Contractor: | | Subcontractor: | |
| Location(s) Inspected: | Well Site A-3 | | |
| Current Stage of Operation: | Decommissioned | | |
| Program Modifications Approved: | None | | |

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "N/I" - Not Inspected

| Operating Condition | Aspect Inspected | | | | |
|---|------------------|--|--|--|--|
| | Well Site A-3 | | | | |
| Location as Permitted | A | | | | |
| Equipment as Approved (Type & Size) | A | | | | |
| Methods & Techniques | A | | | | |
| Facilities | A | | | | |
| Erosion (Control or Prevention) | A | | | | |
| Wildlife and Fisheries Habitat (Protection) | A | | | | |
| Ecological Resources | A | | | | |
| Brush Disposal | A | | | | |
| Restoration of Lands | A | | | | |

Explanatory Remarks -

Well Site A-3:

On July 13, 2016 inspectors with the Department of Lands inspected well site A-3 which falls under Land Use Permit MV2014X0011. The permit is held by Apache Canada Ltd. for their interests in the former Pointed Mountain Gas Field near Fort Liard.

The well head was removed earlier in the year during the winter season. Signage for the well site was installed where the well head was removed. The soil has settled where the well head removed in the winter season. Inspectors found some old pipes lying along the edge of the lease which should be removed off site prior to expiry of the land use permit. Exposed piping was also found next to the access road during the inspection. Inspectors also noted that ground water monitoring wells were on site. Vegetation has established on site, however bare soil was visible throughout the site.

Apache Canada Ltd. has begun their processes to decommission the former Pointed Mountain Gas Field resulting in the dismantling and removal of all facilities. The removal of the well head at well site A-3 during the winter season is one of the decommissioning processes. The Department of Lands will continue to inspect the site for any issues that may arise in the future.

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| Date: | July 13, 2016 | Permit #: | MV2014X0011 | Page No: | 1 |
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ENVIRONMENTAL INSPECTION REPORT

Inspectors have no concerns with the operations occurring at well site A-3.



ENVIRONMENTAL INSPECTION REPORT

Figure 3

Exposed piping on the left of the access road. Photo: July 13, 2016



Figure 4

Old pipes and debris found on site. Photo: July 13, 2016.

