



Department of Environment and Climate Change  
Land and Water Division- Dehcho  
P.O. Box 150  
Fort Simpson, NT X0E 0N0

Telephone: 867-695-2626 ext. 205  
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July 27, 2023

Paramount Resources Ltd.  
Suite 2800, 421 - 7th Avenue SW  
Calgary, AB T2P 4K9

**Attention: Terence Hughes**

<b>File Number</b>	<b>MV2014X0011</b>
<b>Type of Operation</b>	<b>MISC.</b>
<b>Location</b>	Plant Site- NT Spill 202355

Dear Terence Hughes,

An inspection of the above noted operation was conducted on July 14, 2023 by Manager, Resource Management Danielle Rogers and Lands Officer Christopher Penner.

Enclosed is a copy of the Environmental Inspection Report. Please refer to the unacceptable and noted conditions in the general comments section of this report. Your attention to this matter is appreciated.

If you have any questions, please contact me at 867-695-2626 ext. 205.

Sincerely,

Danielle Rogers  
Manager, Resource Management  
Department of Environment & Climate  
Change

CC: Andrea Cleland- Regulatory Specialist, MVLWB  
Laurie Nadia- Regional Land and Water Superintendent, Department of ECC, Dehcho  
Christopher Penner- Lands Officer, Department of ECC, Dehcho  
Wendy Bidwell- Senior Water Resource Officer, Department of ECC  
Rick Walbourne- Manager, Water Regulatory, Department of ECC



ENVIRONMENTAL INSPECTION REPORT

Permittee:	Paramount Resources Ltd.	Permit Expiry Date:	June 04, 2021
Land Use Permit No.	MV2014X0011	Previous Inspection:	August 24, 2022
Quarrying Permit No.		Inspection Date:	July 14, 2023
Contractor:		Subcontractor:	
Location(s) Inspected:	Plant Site- NT Spill 202355		
Current Stage of Operation:	Reverse Osmosis of Surge Pond		
Program Modifications Approved:			

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

Operating Condition	Aspect Inspected				
	NT Spill 202355				
Location as Permitted	A				
Time as Permitted	A				
Equipment as Approved (Type & Size)	A				
Methods & Techniques	A				
Facilities	A				
Erosion (Control or Prevention)	A				
Chemicals	A				
Wildlife and Fisheries Habitat (Protection)	A				
Wastes	A				
Fuel Storage	A				
Brush Disposal	A				
Permits	U				

Explanatory Remarks -

Inspectors from the Department of Environment and Climate Change conducted an inspection of the work that is being completed at the surge pond on July 14, 2023 via helicopter. The work is being conducted under the NT Spill 202355, Remedial Action Plan.

Inspectors were accompanied by Paramount Resources Safety Supervisor Rocky Arndt and Water Treatment contractor, Chris Markovic when inspecting the site and the water treatment process.

At the time of the inspection there was a wildlife monitor, two fuel tanks, a trailer, light tower, thirteen tanks, the reverse osmosis trailers, two very fine filtration tanks, three lined cells to hold contaminated water and one lined cell to hold clean (treated) water, clean soil area for backfill operations, an area for contaminated soil (in construction), two dump trucks, one excavator and one bulldozer.

Mr. Arndt informed the Inspectors that they were waiting for the liner to come in for the contaminated soil area at the time of the inspection. Mr. Arndt also asked if they could mix soil with the sludge at the bottom of the surge pond when moving the sludge/contaminated



ENVIRONMENTAL INSPECTION REPORT

soil to the designated area to help solidify when moving. Inspectors informed Mr. Arndt that there was no concern with doing that.

There were no drip trays under the heavy equipment and Inspectors informed Mr. Arndt at the time of the inspection that drip trays are required under all equipment to prevent spills.

As this land use permit is expired, Inspectors would like to remind Paramount Resources that a new application for a water licence and land use permit must be submitted to the Mackenzie Valley Land & Water Board by September 30, 2023. This requirement was a condition of the Remedial Action Plan approval by ECC.

Inspectors will continue to monitor.





ENVIRONMENTAL INSPECTION REPORT

Inspection Images:

Figure 1  
Aerial of site



Figure 2  
Aerial of site







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Figure 3  
Aerial of site



Figure 4  
Reverse osmosis trailer







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Figure 5  
Drip tray collecting leaking water



Figure 6  
Water from surge pond







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Figure 7  
First pass through filtration



Figure 8  
Second pass through filtration







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Figure 9  
Water collected from washing osmosis trailer floors



Figure 10  
Water stored in lined cell to go through reverse osmosis







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Figure 11  
Pumps in drip trays with two final tank filters in background



Figure 12  
Lined cell with final product- clean (treated) water







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Figure 13  
Surge Pond



Figure 14  
Clean soil area for backfill operations







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Figure 15

Different view of clean soil area for backfill operations



Figure 16

Equipment







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Figure 17

Prepped area for contaminated soil



Figure 18

Prepped area for contaminated soil







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Figure 19  
Trailer on site



Figure 20  
Fuel tanks on site

