



October 23, 2017

Inuvialuit Water Board
Attn: Mardy Semmler
125 Mackenzie Road
Suite 302, Professional Building
P.O. Box 2531
Inuvik, NT X0E 0T0

Phone: (867) 678-8609

RE: DESIGN MODIFICATION INFORMATION FOR N5L8-1837 - REPSOL OIL & GAS CANADA INC. - SITE REMEDIATION, PANARCTIC F-68 ABANDONED WELLSITE, SATELLITE BAY, PRINCE PATRICK ISLAND, NWT

Good Morning Mardy,

As requested in the Inuvialuit Water Board (IWB) Water Licence N5L8-1837, issued on August 24, 2016, we are submitting the required design modification information and stamped drawing as per Part I, Condition 3.

As per Part I, Condition 1.a, we notified the IWB inspector of this necessary change on August 24, 2017. As per Part I, Conditions 1.b, c and d, we started the implementation of the deviation from the original plan five days after our notification.

The anchor trench layout contained in the original detailed design drawings consisted of a 0.5 metres (m) deep and 0.5 m wide slot, located 1.0 m outside of the toe of the containment structure (or "cell") limits. In the modified approach, the anchor trench was now constructed immediately adjacent to the containment structure limits and extends as a continuation of the 2:1 slope of the fill to a depth of 0.5 m (or to local permafrost), with a base width of 1.0 m. Parts of the anchor trench were constructed in 2017 and it will be completed with the completion of the containment structure in 2018.

Please note that at this time, we will not be submitting any post-construction information (as per Part J, Condition 2). As discussed with you previously, we did not complete the construction of the containment structure during the weather-related shortened 2017 field season and will return to the site in 2018 to complete the construction. The post-construction information and stamped drawings will be provided to the IWB upon completion of the containment structure.

We will be submitting two hard copies and cd's of the attached modification information package to your office as well.

As always, please don't hesitate to contact us if you require additional information.

.Regards,

Repsol Oil & Gas Canada Inc.

Mr. Darren Stokes, RT (Ag)
Team Lead, Remediation & Reclamation
(403) 237-1470
DStokes@repsol.com

cc: Golder Associates – Barrie, ON
IMG-Golder – Edmonton, AB & Inuvik, NT