



**Indian and Northern
Affairs Canada**
www.inac.gc.ca

North Mackenzie District
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Inuvik, NT

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Telephone: 867-777-3662
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April 16, 2008

Northwest Territories Water Board
Box 1326
Yellowknife, NT X1A 2N9

Attn: Viki Losier, Executive Assistant

RE: Industrial Water Use (N7L1-1822)

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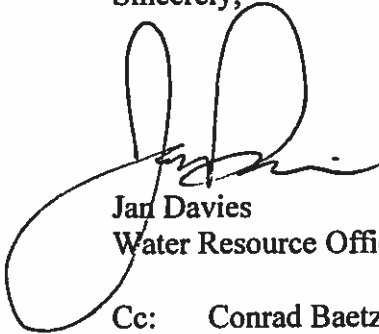
Dear Ms. Losier,

Please find the enclosed Inspection Report for your review and/or records.

An electronic copy (un-editable Adobe pdf.) has also been provided by e-mail.

If you have any questions/concerns regarding the enclosed, and/or if additional information is required, please do not hesitate to contact me at (867) 777-3662.

Sincerely,



Jan Davies
Water Resource Officer



**Cc: Conrad Baetz, District Manager, North Mackenzie District, Inuvik, NT
Inuvik Sub-District**

Enclosure: Industrial Inspection Report (one page)



INDUSTRIAL WATER USE INSPECTION REPORT

DATE:	January 21, 2008	COMPANY REP:	Glenn Miller
LICENCEE:	MGM Energy Corp.	LICENCE #:	N7L1-1822

WATER SUPPLY

Source:	Mackenzie River	Quantity Used:	<7000m3	Meter Rdg:	N/I
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Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Intake Facilities	N/I	Storage Structures	N/I	Treatment Systems	N/I	Recycling	N/I
Flow Meas. Device	N/I	Conveyance Lines	N/I	Pumping Stations	N/I	Modifications	N/A

WASTE DISPOSAL

Well Waste	Off-Site Removal	A	Drilling Sump	N/A	Downhole	N/A	Land spread	N/A
Tailings:	Tailings Pond	N/A	Natural Lake	N/A	Underground	N/A		
Sewage:	Sewage Treat. System	A ¹	Tailings pond	N/A	Natural Water Body	N/A		
	Continuous Discharge	N/A	Inter. Discharge	A				
Solid Waste:	Open Dump	N/A	Landfill	A	Burn & Bury	A	Underground	N/A

Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Discharge Quality	A	Conveyance Lines	A	Disch. Meas. Dev.	A	Freeboard	N/A
Decant Structures	A	Pond Treatment	N/A	Dams, Dykes	N/A	Seepages	A
Dyke Inspections	N/A	Runoff Diversion	N/A	Erosion	N/A	Spills	A

Effluent Discharge Rate:	~30 m3 every 3 days	Samples Collected:	Yes
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Comments:
Concerns:

1. During the inspection of the Sewage Treatment Facility and upon conversation with the operator it was noted that an Ultraviolet (UV) Light was being used as part of the sewage treatment process for the Wellco Sewage Treatment System. Previous correspondence "Notice of Specifications of Sewage Treatment Facility "B" Type Licence for Drilling, Completion and Testing Program Water Register No. N7L1-1822", dated November 19, 2007, did not include this additional form of treatment. While UV Light is permitted as part of a sewage treatment system it must be included as part of the Specifications of the Sewage Treatment Facility as required in Part D1 of the Water Licence.

GENERAL CONDITIONS

Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Ore & Waste Rock Stockpiles	N/A	Records & Reporting	A	Surv. Net. Prog.	A
Geotechnical Inspection	N/A	Posting, Signage	N/I	Contingency Plan	A
Restorations Activities	N/A	New Construction	N/A	Fuel Storage	A
Mine Water Discharge	N/A	Chemical Storage	A	Annual Report	N/A

Violations of Act of Licence:

General Comments: