

# FACSIMILE MESSAGE



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DATE: November 1, 2002

TO: Greg Cook  
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Northwest Territories Water Board

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Number of pages including cover: 4

Subject: N7L1-1777 Water Licence Amendment and Assignment of Licence from Petro-Canada to Devon Canada Corporation.

Type B Water Licence Application: Proposed 2002/2003 Napartok Winter Drilling Program, F29 and N03 Wells, Mackenzie Delta.

N2002A0039 - Land Use Permit Application Napartok Winter Drilling Program 2002-2003.

MESSAGE:

*Ron*





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November 1, 2002

Our File: 4709 002 006

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Attention:

**Re: N7L1-1777 - Water Licence Amendment and Assignment of Licence from Petro-Canada to Devon Canada Corporation.**

**Type B Water Licence Application: Proposed 2002/2003 Napartok Winter Drilling Program, F29 and N03 Wells, Mackenzie Delta.**

**N2002A0039 - Land Use Permit Application Napartok Winter Drilling Program 2002-2003.**

Environment Canada's contribution to your request for specialist advice is based primarily on the mandated responsibilities of *Section 36(3) of the Fisheries Act, the Canadian Environmental Protection Act(CEPA) and the Migratory Birds Convention Act.*

NWT Water Licence # N7L1-1777 was issued on November 30, 2001 to Petro-Canada for the drilling of the Napartok Wells, F29 and N03. The project was screened in September, 2001 and it was determined that the development would have no significant negative impact on the environment and further licencing and permitting could proceed. Petro-Canada and Devon Canada Corporation(Devon) operate in the Mackenzie Delta in accordance with a joint venture agreement. Devon is requesting an amendment to the existing Water Licence and an assignment of the Water Licence from Petro-Canada to Devon. Petro-Canada is aware of and supports the amendment being sought by Devon.

Land Use Permit Application N2002A0039 submitted by Devon Canada Corporation. Devon Canada Corporation has received permission from Petro-Canada to use the Project Description submitted in 2001, under Land Use Permit Application N2001A0039 issued to Petro-Canada.

Devon is seeking the following changes to the amended Water Licence # N7L1-1777:

- \* an extension of the Licence to May 2004 as the current licence expires December 31, 2002;
- \* altering the applicable parameters for sewage discharge (discharge parameters to be in accordance with flow rates calculated for appropriate channels of the Mackenzie River);
- \* increasing the daily water usage from 1,000 m<sup>3</sup> to 1,500 m<sup>3</sup>;
- \* re-assignment of the licence from Petro-Canada to Devon.

As part of the amendment, Devon is requesting that they be allowed to dispose of treated wastewater from the camp's EcoTech Wastewater Treatment system to the nearest Mackenzie River channel proximal to the well sites.

Bonus Rig 7 will be used to drill the wells instead of the Akita 60 drill rig. There will be no requirements for an airstrip at the proposed well sites F29 and N03. The logistics base for the drilling operations will be located at Swimming Point and a 60 person camp will be utilized at the well sites.

### Comments and Recommendations

- Meeting the requirements of the Federal *Fisheries Act* is mandatory, irrespective of any provincial regulatory or permitting system. *Section 36(3) of the Fisheries Act* specifies that unless authorised by federal regulation, "no person shall deposit or permit the deposit of a deleterious substances of any type in water frequented by fish or in any place under any conditions where the deleterious substance or any other deleterious substance that results from the deposit of the deleterious substance may enter any such water."
- As the current Water Licence expires on December 31, 2002, EC has no concerns with extending the present licence until May, 2004.
- A letter was submitted by Todd Esler, P.Eng for Eco Tech Water Systems Ltd. on behalf of Petro-Canada regarding the Eco Tech Wastewater Treatment system. The letter describes problems which were encountered with the system during the 2000/2001 operating season. EC has the following questions regarding the Eco Tech Wastewater Treatment system:
  - \* with the modifications made to the Eco Tech Wastewater Treatment system for the 2001/2002 operating season, were any further problems encountered?
  - \* did the modifications rectify the problems previously encountered during the 2000/2001 season?
  - \* did the system meet the Water Board's guidelines for discharge during the 2001/2002 operating season?
  - \* what is the proponents contingency plan in the event the system again fails to operate as expected?
  - \* what type of monitoring system will be in place for discharging from the Eco Tech Wastewater Treatment system to the environment?
- Comments and recommendations submitted on behalf of EC for Petro-Canada's Water Licence # N7L1-1777 and Land Use Permit # N2001A0039 would still apply to their joint venture partner, Devon.
- Will Devon be providing their own project description for the amended Water Licence, or will they be utilizing Petro-Canada's project description?
- Will Devon be submitting their own Emergency Response Plan and Fuel Spill Contingency Plan for review?
- At this time, EC has no issues with Devon increasing the daily water usage from 1,000 m<sup>3</sup> to 1,500 m<sup>3</sup>.
- EC has no concerns with the re-assignment of the current Water Licence from Petro-Canada to Devon.
- Devon shall ensure that any fuels or wastes associated with the project do not enter waters frequented by fish.
- Winter lake/stream crossings shall be located in such a manner as to minimize approach grades and shall be constructed entirely of ice and snow. Bank disturbance is to be avoided, and mechanized clearing should not be done immediately adjacent to any watercourse. Stream crossings shall be removed or notched prior to spring break-up.

- The proponent states that specific individuals will be tasked with re-fuelling during the construction and drilling operations in order to minimize access to fuel and prevent spills. Operational practices for the handling of fuels and hazardous fluids should be available to personnel on site and include:
  - \* an approved spill contingency plan outlining a clear path of response
  - \* contact list of persons to be contacted in the event of a spill and assigned responsibilities of company staff
  - \* location of equipment, both on and off site to be used in the event of a spill
  - \* state that "all spills" are to be documented and reported to the NWT - 24 Hour Spill Line number (867) 920-8130
  - \* an appropriate spill kit with absorbent material should be located at all refuelling locations
  - \* drip pans should be utilized while refuelling.
- Devon states that they will be depositing drilling wastes in a sump as described in the Petro-Canada project description. EC believes that a long term monitoring program be implemented in order to assess the long term and cumulative effects of the normal mix, bury, and cover restoration method commonly used for drilling sumps published in the, *EUB Guide 50: Drilling Waste Management*.
- EC shall be advised of any material changes to plans or operations associated with this project.

Please do not hesitate to contact me at (867) 669-4744 or ron.bujold@ec.gc.ca with any questions or comments.

Yours truly,



Ron Bujold  
Aquatic Environmental Technician

cc: Steve Harbicht (Head, Environmental Assessment & Monitoring, EPB)  
Paula Pacholek (Northern Environmental Assessment Coordinator, A&M, EPB)