



**Indian and Northern
Affairs Canada**

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May 29, 2008

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

Attn: Ron Wallace, Executive Director

**RE: Industrial Water Use (N7L1-1817)
Mallik**

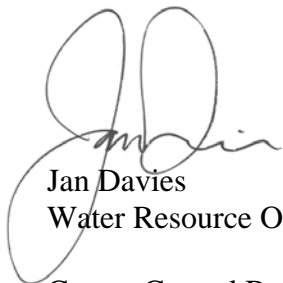
Dear Mr. Wallace,

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:	March 10, 2008	COMPANY REP:	Andrew Applejohn
LICENCEE:	Aurora Research Institute	LICENCE #:	N7L1-1817

WATER SUPPLY

Source:	Mackenzie River Channel	Quantity Used:	>500 m3/day *see Concern 1 under Water Supply	Meter Rdg:	N/I
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Indicate: **A - Acceptable** **U - Unacceptable** **N/A - Not Applicable** **N/I - Not Inspected**

Intake Facilities	A ^{2,3}	Storage Structures	A	Treatment Systems	N/A	Recycling	A
Flow Meas. Device	A	Conveyance Lines	A	Pumping Stations	A	Modifications	N/A

Comments:

Concerns:

1. Water usage was under 500m3 except for 2 days in which the daily quantity of water was exceeded. Water usage was 509m3 on Feb 3, 2008 and 508m3 on Feb 4, 2008. Upon the exceedences being discovered by the Licensee, action was taken to prevent further water usage over the Water Licence limit of 500m3. On February 6, 2008 Al Taylor visited the INAC Inuvik District Office and explained the situation. Future water usage has since been within Water Licence criteria according to water withdrawal records.
2. Fish screen for pump okay but screen cover has come undone in one area and needs to be tightened to close the hole.
3. Generator is leaking oil onto pump station floor and the oil has pooled behind generator. Oil needs to be cleaned, leak repaired and/or a drip tray put in place. Upon inspection there was no evidence of oil leakage from the shack containing the generator. When the pump shack is demobilized ensure that no oil leaked on to snow or ice underneath the pump shack.

WASTE DISPOSAL

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

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

Discharge Quality	U ¹	Conveyance Lines	N/I	Disch. Meas. Dev.	A	Freeboard	N/A
Decant Structures	N/A	Pond Treatment	N/A	Dams, Dykes	N/A	Seepages	U ²
Dyke Inspections	N/A	Runoff Diversion	N/A	Erosion	N/A	Spills	A

Effluent Discharge Rate:	N/A	Samples Collected:	Samples are being collected
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Comments:

Concerns:

1. As of this inspection date, discharge quality of sewage effluent has not been met for 4 consecutive times at the Mallik site, consequently the treated sewage is being trucked to the Town of Inuvik Sewage Lagoon.
2. Numerous small leaks from sewage treatment plant through floor. Drip trays present and will continue to be needed to ensure containment until leaks are repaired.

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	A	Contingency Plan	A
Restorations Activities	A	New Construction	N/A	Fuel Storage	A
Mine Water Discharge	N/A	Chemical Storage	A	Annual Report	N/A


Comments:

Violations of Act of Licence:

1. Part C, section 2. The daily quantity of water exceeded 500 m3 on February 3 and 4, 2007. See Concern 1 under Water Supply.

General Comments:

Inspector's Signature:



A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be 'J. J. J.' or similar.