



SAHTÚ RENEWABLE RESOURCES BOARD

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Larry Wallace, Chair
Sahtu Land and Water Board

Delivered via email

May-2-13

RE: ConocoPhillips Land Use Permit S13A-001 and Water License S13L1-004, Exploration License Block 470

Dear Mr. Wallace::

The Sahtú Renewable Resources Board (SRRB) has reviewed ConocoPhillips Canada's Land Use Permit and Water License Applications based on its mandated responsibilities under the Sahtú Dene and Métis Comprehensive Land Claim Agreement and provides the following comments and recommendations:

Cumulative effects

1. As per our comment in a previous letter related to ConocoPhillips' exploration work, the SRRB feels thresholds for levels of impact on wildlife must be established as soon as possible. We would like to re-emphasize the importance of a regional cumulative effects assessment. Current applications are limited to the scope of a single project, but potential future development within the existing exploration leases and adjacent area should also be considered.
2. The effects of climate change should be considered in any cumulative effects assessment, especially changes to permafrost and related changes in surface and groundwater movement and quality. We did not find any mention of climate change in this application by ConocoPhillips.

Traditional Knowledge

3. The SRRB notes that the traditional knowledge study included in ConocoPhillips' application as Appendix 2C is a preliminary report. Will the comprehensive final report be made available for public review, or is this a confidential document? Please provide a summary of how the traditional knowledge was used in project planning, and describe any plans for future traditional knowledge work.

Fish and fish habitat

4. More baseline research on fish populations (eg. stock assessments; identification of spawning, rearing, overwintering areas) is required before we can establish whether current mitigation measures are appropriate. Several of ConocoPhillips' water sources are important fish harvesting areas (eg. Sucker Creek, Twentyfive Mile Lake and Fish Net Lake); therefore, fish populations and health should be closely monitored. We are not aware of any recent fish stock assessments that have been completed for those water bodies.

5. Please provide data on the recharge rates of lakes that are proposed as water sources so that the possible effects of ConocoPhillips' proposed water removal can be better assessed.

Fracking chemicals and spills

6. We would like ConocoPhillips to provide more details on the decision-making framework that it will use to choose the fracking chemicals for each well/stage. Please clarify whether health/safety (in terms of the toxicity level) is ConocoPhillips' number one priority in choosing fracking chemicals, and explain why or why not.
7. We are concerned about the risk of chemical spills, especially during transport to the site along the winter road, when the chemicals are in concentrated form. Please explain:
 - when ConocoPhillips will complete a detailed spill risk assessment, mitigation, and emergency response plan for along the winter road?
 - whose approval will be required for the plan? and
 - who will be actively enforcing spill mitigation and emergency response measures?
8. With regard to reporting and compliance monitoring (Section 8 in the application), the SRRB would like more details on how often Conoco will provide results of its compliance monitoring to the SRRB, SLWB and local community governing bodies, and at what level of detail.

Groundwater monitoring

9. The SRRB appreciates that ConocoPhillips initiated a groundwater monitoring program; however no results from the winter program have been released yet. ConocoPhillips indicated they drilled 4 of the planned 15 groundwater monitoring wells, and they have not yet decided whether to complete the 11 remaining wells. We feel that Conoco should make it a priority to complete the study. Valuable information relating to groundwater flows, direction and interactions with surface water is missing from the current monitoring program. ConocoPhillips and other proponents should collaborate in regards to the groundwater monitoring so that baseline data collected can be integrated and eventually contribute to the broader groundwater research program sponsored by the Environmental Studies Research Fund.
10. The SRRB would like ConocoPhillips to confirm its commitment to using a tracer in all fracking fluids (so that if this tracer was ever found in the groundwater, we would know that fracking fluids are contaminating the groundwater). Please explain how often Conoco would be testing the groundwater for tracers, and how often Conoco will be reporting results of that testing to the SRRB, Sahtu Land & Water Board, and local community governing bodies.
11. The SRRB would like ConocoPhillips to confirm whether groundwater testing has included or will include isotopic fingerprint analysis on dissolved gases (in drilling muds returning to the surface), as well as comprehensive tests for volatile organic compounds (VOCs) **prior** to hydraulic fracturing.
12. The SRRB recommends one test for naturally occurring radioactive materials (NORMs) to ensure the formation is free of radioactive materials.
13. Please provide information about the integrity of the abandoned well within the lease area and if there is any evidence of surface casing vent flows from this abandoned well.

Reclamation

14. Notwithstanding the regulatory gap in the Northwest Territories regarding reclamation planning by oil and gas companies (which we hope will be addressed in a timely manner), the recognized best practice is for reclamation planning to be reviewed and approved during the first stages of

any activity impacting the land. However, the ConocoPhillips applications are confined to a statement that the reclamation standards set out in the Access and Benefits Agreement, a confidential document, will be followed. Reclamation plans should be subject to public review, since the public interest is affected. The SRRB requests further details about current and future reclamation planning related to the proposed exploration footprint.

15. The SRRB recommends that ʔehdzo Got'ıne (Renewable Resources Councils) be involved throughout the reclamation planning process to ensure that traditional knowledge and the interests of the long term stewards of the land are accommodated, and the site will be restored to a state that is acceptable to community members.

The SRRB appreciates ConocoPhillips' commitment to follow some Alberta guidelines or standards where NWT guidelines and standards do not exist, such as Alberta Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting (Alberta Energy Resources Conservation Board). However, the SRRB is concerned that Alberta guidelines and standards will not be enforceable in the NWT. We urge the Sahtú Land and Water Board to set terms and conditions in such a way that any commitment by a proponent to follow Alberta standards is enforceable in the Sahtú Region.

The SRRB believes that a strong collaborative and evidence-based approach to planning, adaptive management of operations, and reclamation that accommodates traditional and local knowledge is key to minimizing impacts of the proposed activities. We recognize and appreciate the early efforts that ConocoPhillips has made to work with community-based knowledge holders during the Knowledge Sharing Workshop in Tulit'a on December 10-13, in a recent traditional knowledge sharing event, and in the monitoring training course now taking place in Tulit'a.

We hope to continue and expand this collaborative work with ConocoPhillips and other operators in the shale oil play by way of five key projects identified as priority by the Board in consultation with our ʔehdzo Got'ıne partners: 1) a workshop to develop a robust cross-cultural framework for cumulative effects assessment; 2) development of guidelines documents establishing best practices in environmental monitoring and traditional knowledge research; 3) research on Wildlife, Habitat and Harvesting as well as Surface Water and Groundwater and possibly cumulative effects sponsored by the Environmental Studies Research Fund; 4) development of a framework for community capacity-building in environmental management, including training programs and strengthening of supports for higher education in relevant fields; and 5) a program to maintain and strengthen the traditional economy to ensure positive outcomes for harvesters of the current exploration boom.

Sincerely,



Deborah Simmons
Executive Director