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Your file - Votre référence
2007N-2BE-BUG
Our file - Notre référence
IQA-N 9545-2 / CIDMS 139781

April 16th, 2007

Phyllis Beaulieu
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

Re: Licence Application - UR- Energy - 2BE-BUG

On behalf of the Department of Indian Affairs and Northern Development (DIAND), I have reviewed the Water Licence Application submitted by UR - Energy. In reviewing this file, all documents posted on the Nunavut Water Board (NWB) ftp-site associated with this application have been considered.

Section 11 of the Exploration / Remote Camp Supplementary Questionnaire states that neither the camp or any aspect of the project is located on Crown Land. According to INAC records the proponent holds the following Crown Land Leases; F97522 to F97530 and F97601 and F97602. Thus, Section 11 should be amended to include relevant permit numbers and expiry dates.

Section 23 of the Exploration / Remote Camp Supplementary Questionnaire describes the proponents Spill Contingency Plan (SCP). The proponent should recognize that a SCP is a stand alone document meant to guide the proponent in the event of a spill. The SCP should be kept on site where spills are most likely to occur (i.e. camp and fuel storage areas). Furthermore, The proponent should make reference to the Nunavut Spill Report Line and provide a copy of the Nunavut Spill Report Form in the project's Spill Contingency Plan. This form can be retrieved from the Nunavut Water Board public registry at <http://nunavutwaterboard.org>. Please note that the 24-hour Spill Report Line telephone number is (867) 920-8130 and facsimile number is (867) 873-6924. Additionally, Peter Kusugak should be included as an initial contact for INAC, (867) 975-4295.

Section 25 of the Exploration / Remote Camp Supplementary Questionnaire requires the proponent to describe the types, quantities and method(s) of storage of fuel and chemicals on site and provide MSDS sheets. The proponent should recognize a water licence is a regulatory instrument which is applied for and maintained independent of other regulatory permits (i.e. land-use permits). Generally, the information required under Section 25 would be included in a SCP. INAC requests the proponent submit a SCP that addresses INAC comments found above on

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Sections 23 and 25 of the Exploration / Remote Camp Supplementary Questionnaire. Additionally, INAC requests the opportunity to review the SCP before licence 2BE-BUG is assigned to the proponent.

Section 32 of the Exploration / Remote Camp Supplementary Questionnaire speaks to Waste Treatment and Disposal. Though the use of holes and sumps is common for exploration activities in Nunavut, INAC has the following recommendation. All sumps (or holes), whether for the disposal of sewage or greywater, shall be positioned at least 30 m from the high water mark of nearby water bodies. Furthermore, all sumps shall be backfilled and contoured to match the surrounding landscape prior to the end of the project's field program.

Section 38 of the Exploration / Remote Camp Supplementary Questionnaire states "all materials will be removed from the camp site and from drill sites". Sections 16 and 27 of the Exploration / Remote Camp Supplementary Questionnaire specifically state that drilling will not take place as part of this project. INAC recommends the proponent clarify the opening statement in Section 38 and amend corresponding sections accordingly.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4548 or by email at BathoryS@ainc-ianc.gc.ca.

Sincerely,

Original Signed By

Stephen Bathory
Regional Coordinator

cc- P. Kusugak, Manager Field Operations.