



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
North Country Gold	-
Licence No. / Expiry	Representative's Title
2BE-CRA1015	-
Land / Other Authorizations	Land / Other Authorizations
Lease # 056J/11-1-2 and 056J/12-1-2	LUP N2009C0018 and N2009C0019
Date of Inspection	Inspector
20/07/2014	Eva Paul
Activities Inspected	
<input checked="" type="checkbox"/> Camp	<input type="checkbox"/> Drilling
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Mining
<input checked="" type="checkbox"/> Other: Drill laydown	<input type="checkbox"/> Construction
	<input type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Fuel Storage
	<input checked="" type="checkbox"/> Other: Airstrip

Conditions:		A - Acceptable	C - Concern	U - Unacceptable	NA – Not Applicable	NI – Not Inspected		
Water Use	Condition	Comment	Site Conditions	Condition	Comment	Haz/Mat Management	Condition	Comment
Intake/Screen	NA		Water Management Structures	U	2	Storage	U	7
Flow Measure. Device	NA		Culverts / Bridges	A		Spills	U	7
Source:	NA		Drainage	U	3	Spill Plan	U	7
Water Use:	NA		Erosion / Sediment	U	4			
Recirculation (y /n)	NA		Mitigation Measures	U	5	Administrative		
			Reclamation Activities	U	6	Records	NI	
			Materials Storage	A		Reports	NI	
Waste Disposal			Signage	A		Plans	NI	
Waste Water	U	1				Notifications	NI	
Solid Waste	U	1	Monitoring			Other		
Hazardous Waste	U	1	Sample Collection / Analysis	NI				
<i>*The number in the comments field will correspond with specific comments provided below.</i>								
Samples taken by Inspector:			Location(s):					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								

SECTION 1	<input checked="" type="checkbox"/> Comments (p.1-2)	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence (s.2)	<input checked="" type="checkbox"/> Action Required (s.3)
<p>Bullion Camp and Hayes Camp were both inspected on July 20, 2014, as well as the Three Bluffs drill laydown/fuel storage area. Bullion Camp is weathered; some of the tents have torn. A few doors were open; I secured the doors as well as I could. Hayes Camp appears to have suffered a strong wind: one building at the airstrip is completely torn apart. Trash is blown into the wetlands east of the airstrip. It was noted during the file review that this water licence expires in April 2015; renewal documents should be submitted as early as possible to avoid expiry, and non-compliances addressed to facilitate the renewal process.</p> <p>1. Waste water, solid waste, and hazardous waste are accumulated in the Hayes lay-down area near camp. It does not appear that waste has been backhauled since my last inspection in 2012. Covers are becoming ripped and blowing off of stored waste. Waste barrels within camp still contain waste. Hazardous waste at the lay-down (waste hydrocarbons, contaminated water etc) is not held in secondary containment.</p> <p>2. Two berms at Three Bluffs have collapsed (both berms with grey tarps). Most of the berms’ tarps have blown off. These are clearly not being monitored frequently enough. Bullion Camp, where a second berm was used as a cover, has weathered the best of all the berms. Little water was in the berm and all sides were standing. The blue-tarped berm at Three Bluffs was also intact.</p> <p>3. It does not appear that any work was done on the airstrip following the 2012 inspection. The sandbags put in place at right angles to the airstrip are still causing pooling and subsidence associated with permafrost melting. Cracks appear across the airstrip; and wash-outs off the sides.</p> <p>4. Erosion control measures in place around camp are not being maintained. The drainage channel from camp has changed course and is bypassing the sandbags, allowing sand to be washed into the lake.</p> <p>5. In general, the mitigation measures put in place will only be effective if the site is maintained. This includes the berms and the erosion control measures. Regular monitoring is required. The camp was not adequately prepared for a lengthy shut-down. Hazardous waste and camp waste should be removed from site. All fuels should be secured in covered secondary containment, and all garbage, foods and other wildlife attractants removed from site.</p> <p>6. Drill site near the fuel berms has not been reclaimed – collars are to be pulled or cut for all drill holes.</p> <p>7. The two 35,000L bulk fuel tanks at the airstrip are not to be put into use until they are installed in accordance with Environment Canada’s current bulk storage tank regulations. Six full diesel drums were found at the airstrip with no containment. Four barrels were located at the incinerator on a pallet. The fuel tank at the Three Bluffs boiler is not in containment – leaks of the hose will result in a spill. Those materials that are stored in berms are not being monitored; two berms are collapsed, one of which is leaking clearly contaminated water to the tundra (grey tarped berm at the drill lay-down area near the blue-covered berm). I propped up the side with rocks to stop the flow of water, however if the rain continues this will soon overtop again. The airstrip berm is missing a cap, and water is dripping out the corner port. I noted Rain Drain filters around the site; those left with</p>			



any water in the filters over winter must have the filters replaced prior to use. The red sea-can containing drill greases and oils is discharging oil-contaminated water out the door. Without adequate monitoring, those spills that occur are not addressed promptly and there is a failure to implement the spill plan. Remediation of the spill that occurred in 2012 near the boiler at the drill area has not been completed; spill pads are still spread around the area. Excavated areas should be backfilled to prevent water accumulation and permafrost degradation. In addition, all issues identified in the 2013 LUP inspection are to be addressed as committed to in the 2013 annual report.

SECTION 2



Comments



Non-Compliance with Act or Licence



Action Required

Part C Item 7: Failure to maintain sediment and erosion control measures.
Part D Item 6: Failure to remove and dispose of hazardous waste.
Part E Item 4: Failure to undertake corrective actions with respect to effects on drainage caused by the construction of the airstrip.
Part # Item 12: Failure to maintain containment and runoff control structures.
Part H Item 6(a): Failure to implement the Spill Contingency Plan.
Part I Item 2: Failure to remove waste annually.
Part I Item 9: Failure to reclaim drill holes immediately upon completion of drilling.

SECTION 3



Comments



Non-Compliance with Act or Licence



Action Required

1. All hazardous waste and kitchen waste are to be backhauled by October 31, 2014.
2. A spill report is to be filed with the Spill Line with respect to the contaminated water spilling from the berm at Three Bluffs.
3. All water accumulated in fuel berms (including small berms for individual tanks) is to be treated and pumped out of the berms. Berms are to be repaired or replaced in order to provide secondary containment. Berms are to be covered to prevent filling with water or snow. This is to be carried out by August 15, 2014.
4. A geotechnical inspection by a qualified engineer is to be carried out of the airstrip. The geotechnical inspection report is to be submitted to the Board with the 2014 Annual Report, along with a covering letter from the Licensee outlining an implementation plan with timelines to respond to the Engineer's recommendations.
5. Erosion control measures throughout the site are to be improved by August 15, 2014, in order to prevent sediment deposition in the lake.
6. All fuel that is not waste to be backhauled is to be located into covered secondary containment by August 15, 2014.
7. Contaminated soil from fuel and oil spills is to be removed, and holes immediately backfilled; this includes the 2012 spill. This is to be completed by August 15, 2014.
8. A report showing the completed actions 3, 5, 7, and 8 (including photographs) is to be submitted to the Inspector by August 31, 2014.
9. Record of waste backhaul is to be submitted to the Inspector by November 15, 2014.
10. Drill sites are to be reclaimed by removing the drill casings and anchors, or cutting and capping them. This work is to be carried in the Licensee's next snow-free period of activity.

Licensee or Representative

Inspector's Name

-

Eva Paul

Signature

Signature

-

Submitted electronically

Date

Date

-

25/07/2014

Office Use Only: Follow-up report to be issued by Inspector



Yes



No

Attached: Appendix 1 - Photos of Inspection

CC: Phyllis Beaulieu, Manager of Licensing, NWB
Erik Allain, Manager of Field Operations, AANDC
Baba Pedersen, Resource Management Officer – Kitikmeot Region, AANDC