



October 9, 2013

Mr. Leo Power
Executive Chairman
Ptarmigan Energy Inc.
861 Torbay Road
Torbay, NL
A1K 1A2

Dear Mr. Power:

Re: Ptarmigan Energy Inc. Geophysical Program for Anticosti Basin Offshore Western Newfoundland and Labrador EL 1120; EL 1128 and EL 1127, 2012-2021 Environmental Assessment

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has reviewed the environmental assessment (EA) information regarding the proposed seismic and geohazard survey program in the Offshore Area in the Gulf of St. Lawrence as described in the *Environmental Assessment of the Ptarmigan Geophysical Program 2012-2021 Offshore Western Newfoundland* (July 18, 2012) and *Environmental Assessment of the Ptarmigan Geophysical Program for Anticosti Basin Offshore Western Newfoundland and Labrador EL 1120; EL 1128 and EL 1127 (2012-2021) Response to Reviewer Comments* (November 28, 2012). The C-NLOPB has completed the environmental assessment determination respecting the Project. A copy of our determination is enclosed for your information.

The EA Report, EA Addendum, as referenced above, and Ptarmigan's additional responses to review comments describe the Project in sufficient detail and provides an acceptable assessment of the potential environmental effects of the Project. We have considered this information and the advice of the Boards' advisory agencies and have determined that the proposed project, following the application of mitigation measures, is not likely to cause significant adverse environmental effects.

At the time of application for subsequent program authorizations in the Project Area, Ptarmigan Energy Inc. will be required to provide information to the C-NLOPB. This information should outline the proposed activities, confirm that the proposed program activities fall within the scope of the previously assessed program, and indicate if, with this information, the EA predictions remain valid. In addition, Ptarmigan Energy Inc. shall provide information regarding the adaptive management of requirements of the SARA into program activities (e.g., introduction of

new species or critical habitat to Schedule 1; additional mitigations; implementation of recovery strategies and/or monitoring plans). If there are any changes in the scope or if new information becomes available that may alter the EA conclusions, then a revised EA will be required at the time of authorization application and/or renewal.

The following conditions are recommended to be appended to authorizations granted by the C-NLOPB for the program, as described in the environmental assessment reports referenced above:

For seismic programs:

- *The Operator shall implement or cause to be implemented, all the policies, practices, recommendations and procedures for the protection of the environment included in or referred to in the Application, the “Environmental Assessment of the Ptarmigan Geophysical Program 2012-2021 Offshore Western Newfoundland” (Stantec 2012a), the Environmental Assessment of the Ptarmigan Geophysical Program 2012-2021 Offshore Western Newfoundland Addendum (Stantec 2012b) and Ptarmigan’s February 14 and June 14, 2013 responses to review comments.*
- *The Operator, or its contractors, shall shut down the seismic airgun array if a marine mammal or sea turtle listed as **Endangered or Threatened** (as per Schedule 1 of SARA) is observed in the safety zone during ramp- up procedures and when the array is active. The safety zone shall have a radius of at least 500 m, as measured from the centre of the air source array(s).*
- *The Operator will be required to design and implement a monitoring program respecting potential effects of its proposed seismic survey on lobster in areas identified as sensitive. The program should be designed in consultation with staff of DFO and C-NLOPB’s Environmental Affairs Department, and in consideration of fisheries interests in the associated areas. The Operator must submit its proposed study design to the C-NLOPB Environmental Affairs Department at least 3 months prior to the planned survey commencement.*
- *For project activities that may occur in and around areas identified as sensitive, additional mitigations (e.g. avoidance during sensitive breeding season) may be required.*
- *For project activities that may occur in the nearshore shallow areas where inshore lobster fishery occurs, additional mitigations (e.g., avoidance) may be required.*
- *For project activities that may occur near the Cod Spawning Box, additional mitigations (e.g. avoidance during the important spawning period (i.e. April-June)) will be required.*

If you have any questions on the attached, or wish to discuss the environmental assessment review process, I may be reached at 709-778-4232 or via email at eyoung@cnlopb.nl.ca.

Yours truly,

Original signed by Elizabeth Young

Elizabeth Young

Environmental Assessment Officer

Enclosure

Cc D. Burley