

June 19, 2009

Mr. Cabot Martin President Deer Lake Oil & Gas Inc. 35 York Street St. John's, NL A1C 1K6

Dear Mr. Martin:

Re: Deer Lake Oil & Gas Inc. Western NL 2D Seismic Program, 2009 CEA Act Environmental Assessment

In accordance with the *Canadian Environmental Assessment Act* (CEAA) and based on the information presented in the project description "*Project Description of Marine Seismic Profiling on EL 1102 and in Adjacent Areas*" (amec May, 2009), the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has determined that a screening level of environmental assessment is required for the proposed seismic program.

The C-NLOPB has determined the scope of the project, the factors to be assessed, and the scope of those factors (the Scoping Document). A copy of the Scoping Document is attached for your information and use in preparation of the environmental assessment report. Please note, as stated on page 1 of the Scoping Document,

The C-NLOPB has determined that the environmental assessment report and any supporting documents to be submitted by Deer Lake Oil & Gas Inc. will fulfill the requirements of a Screening under the CEAA. The C-NLOPB, therefore, pursuant to Section 17 (1) of the CEAA, formally delegates the responsibility for preparation of an acceptable Screening environmental assessment to Deer Lake Oil & Gas Inc., the project proponent. The C-NLOPB will prepare the Screening Report, which will include the determination of significance.

During the review of the draft Scoping Document, regulatory agencies provided review comments. These comments are attached for your consideration in the preparation of the environmental assessment report.

If you have any questions regarding the CEAA environmental assessment process, or wish to discuss the Scope of Project, I may be reached at 709-778-4232 or via email at eyoung@cnlopb.nl.ca.

Yours truly,

Original signed by E. Young

Elizabeth Young Environmental Assessment Officer

Attachment

cc D. Burley