

July 22, 2014

Mr. Lars Petter Solevåg Senior Operations Manager Western Hemisphere EMGS AMERICAS, INC. 15021 Katy Freeway, Suite 500 Houston, Texas, 77094

Dear Mr. Solevåg:

Re: Electromagnetic Geoservices Canada Inc. - Environmental Assessment East Canada Controlled Source Electromagnetic Survey, 2014 to 2018

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has reviewed the environmental assessment (EA) information regarding the proposed controlled source electromagnetic (CSEM) program in the eastern portion of the Newfoundland Offshore area as described in the *Environmental Assessment East Canada CSEM Survey 2014-2018* (LGL Limited March 2014), and the *Environmental Assessment East Canada CSEM Survey, 2014-2018 Addendum* (LGL Limited July 2, 2014). The C-NLOPB has completed our environmental assessment determination respecting the Project and the report is enclosed for your information.

The EA Report and revised EA Addendum, as referenced above, describes 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, Electromagnetic Geoservices Canada Inc. (EMGS) 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, EMGS 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 CSEM survey program, as described in the environmental assessment reports referenced above:

For CSEM 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 and in the "Environmental Assessment East Canada CSEM Survey 2014-2018" (LGL Limited March 2014) and the "Environmental Assessment East Canada CSEM Survey, 2014-2018 Addendum" (LGL Limited July 2, 2014).
- The Operator, or its contractors, shall shut down the electromagnetic source 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 source is active. The safety zone shall have a radius of at least 500 m, as measured from the centre of the source.

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