

October 17, 2008

Darlene Davis Geophysical Service Incorporated 176 Water Street Windsor, NS BON 2T0

Dear Ms. Davis:

Re: Geophysical Service Incorporated (GSI) - Geophysical Survey Program for Western Newfoundland, 2008-2015

C-NLOPB Screening Report

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has reviewed the environmental assessment (EA) information regarding the proposed geophysical survey program offshore western Newfoundland as described in the "Environmental Assessment of Geophysical Surveys for Exploration Licences 1097, 1098, 1103 and 1104 Western Newfoundland" (March 2008) and "Addendum to Environmental Assessment of Geophysical Surveys for Exploration Licences 1097, 1098, 1103 and 1104 Western Newfoundland" (July 2008) and associated correspondence. The C-NLOPB, as Responsible Authority under the Canadian Environmental Assessment Act, has completed our environmental assessment determination respecting the Project. A copy of our determination is enclosed for your information.

The environmental assessment documents, as referenced above, describe the Project in sufficient detail and provide an acceptable assessment of the potential environmental effects of the Project. We have considered this information, as well as information provide by GSI on September 16 responding to C-NLOPB inquires, and the advice of the Boards' advisory agencies and have determined, in accordance with Section 20(1)(a) of the *Canadian Environmental Assessment Act* (CEA Act) that the proposed project, following the application of mitigation measures, is not likely to cause significant adverse environmental effects. During review of the EA Addendum, the C-NLOPB received comments. These comments are attached for your consideration during project planning in subsequent years.

At the time of application for subsequent program authorizations in the Study Area, GSI 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, GSI 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 of the project, 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.

As noted below, GSI will be required to submit a consultation plan that outlines how consultations will be undertaken with interested stakeholders and government agencies prior to the commencement of yearly program activities for 2009 to 2015. This consultation plan should be submitted to the Environmental Affairs Department no later than January 15, 2009.

The C-NLOPB Screening Report has identified the following conditions, which have been recommended to be appended to the 2008 authorization.

- GSI 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 "Environmental Assessment of Geophysical Surveys for Exploration Licences 1097, 1098, 1103 and 1104 Western Newfoundland" (March 2008), "Addendum to Environmental Assessment of Geophysical Surveys for Exploration Licences 1097, 1098, 1103 and 1104 Western Newfoundland" (July 2008), and "GSI Responses to C-NLOPB Inquiries" (September 2008).
- GSI shall implement or cause to be implemented the mitigation measures outlined in the Geophysical, Geological, Environmental and Geotechnical Program Guidelines (C-NLOPB 2008) respecting 2D and 3D seismic programs.
- During ramp-up, or when the airgun array is active, airgun(s) shall be shut down, if a marine mammal or sea turtle, listed as **Endangered** or **Threatened** (as per Schedule 1 of SARA), including the North Atlantic right whale, Blue whale, and leatherback turtle, is observed within 500 m of the airgun array.
- GSI shall provide a report on the October 20, 2008 fisheries consultations to the C-NLOPB no later than Oct. 27, 2008.

The following recommendation/conditions are applicable to activities proposed for 2009 to 2015.

The North Head Lobster nursery area should be avoided during the sensitive time period (June-July) when larvae are most abundant in the water column. Outside the sensitive time period, the seismic sound source should be minimized when transiting this area.

- GSI shall provide a consultation plan that outlines how industry and government stakeholders will be consulted prior to the start of program activities for 2009 to 2015. The consultation plan should be submitted no later than January 15, 2009.
- For project activities beyond 2008 that may occur in the nearshore shallow areas where the inshore lobster fishery occurs, additional mitigations (i.e., avoidance) may be required.

If you have any questions on the attached, or wish to discuss the environmental assessment review process, I may be reached at 709-778-1431 or via email at kcoady@cnlopb.nl.ca.

Yours truly,

Original Signed by K, Coady

Kim Coady Environmental Assessment Officer

Enclosures

cc D. Burley