Environmental Stewardship Branch
6 Bruce Street
Mount Pearl NF A1N 4T3

July 30, 2007 File No.: 4194-10

Ms. Kim Coady
Canada Newfoundland and Labrador Offshore Petroleum Board
Fifth Floor, TD Place
140 Water Street
St. John's, NF A1C 6H6

Dear Ms. Coady:

RE: PDI PRODUCTION INC. PORT AU PORT EXPLORATION DRILLING PROGRAM EA EAS 2007-128B

As requested in your letter of June 22, 2007, Environment Canada has reviewed the environmental assessment for PDI's Exploration Drilling Program on the Port au Port Peninsula. Based on the information provided, it is understood that the proponent proposes to drill a deviated well (onshore to offshore) at Shoal Point. Up to four additional deviated wells may be drilled in the area based on results of the first well.

The following EC comments stem from the department's mandate under the *Migratory Birds Convention Act* (MBCA) and Section 36 of the *Fisheries Act.* Pertinent EC expertise, and related comments, also originate with the *Canadian Environmental Protection Act* (CEPA), the *Canadian Wildlife Act,* and the *Species at Risk Act* as well as *Department of the Environment Act.*

Section 7.0 Routine Project Activities

Use of Concrete in the Aquatic Environment

Section 7.1.4.2 indicates that cement will be used in drilling operations. The proponent should be aware of the following best practices relating to cement or concrete production near water:

- If concrete is to be produced on-site, the location and design of the concrete production area and yard should be described with provisions for environmental protection.
- Drainage from a concrete production area and yard, and wash water from the cleaning of batch plant mixers, mixer trucks, conveyors and pipe delivery systems, are very alkaline and may be harmful to fish. Drainage and wash water also contain sediment, and concrete additives and agents, which may be harmful to fish. Therefore, appropriate mitigation should be employed to ensure such drainage does not enter receiving waters. All drainage from the concrete production area and yard, including wash water, should be directed to a settling pond for control and treatment, as appropriate.
- Aggregate used in the production of concrete may be stored and processed on site. Sediment-laden drainage from an aggregate storage area, and any wash water from the processing of

aggregate may be harmful to fish. All drainage from an aggregate storage area should be directed to a drainage control device such as a settling pond.

- Effluent should be treated as appropriate before release to receiving waters, or alternatively, effluent should be recycled for reuse after treatment. Solids that accumulate in a settling pond should be removed on a regular basis to ensure the settling pond remains effective.

Section 8.5 Spill Response

It should be noted that any spills in waters frequented by fish or likely to enter waters frequented by fish must be reported immediately to the Canadian Coast Guard 24 Hour Spill Line at 1 800 563-9089.

Section 8.8.5 Migratory birds

Section 8.8.5.1 pg 189: The name Oldsquaw has been changed to Long-tailed Duck.

Section 8.8.9 pg 195 Species at Risk: for clarity, a reference to Table 5.15 should be included after the first sentence.

I trust that this information will be of assistance in your review of this proposal. If you wish to discuss these comments or have further questions, please do not hesitate to contact me at your convenience.

Yours truly,

Original Signed by Jeanette Goulet

Jeanette Goulet
(for Glenn Troke)
Environmental Assessment Officer
Environmental Protection Operations Directorate
EPB/NL

Attachment

cc G. Troke
K. Power
B. Jeffrey