



September 14, 2007

Ms. Vanessa Pennell
PDI Production Inc.
Suite 201
Baine Johnston Centre
10 Fort William Place
St. John's, NL A1C 1K4

Dear Ms. Pennell:

**Re: Port au Port Bay Exploration Drilling Program
Environmental Assessment**

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB), in consultation with the Board's fishery and environmental review agencies, have reviewed the above referenced environmental assessment report.

The Scoping Document (C-NLOPB 2007) clearly outlines the scope of project and scope of assessment. In particular "...the CNLOPB has determined that the scope of this assessment will focus on the project-environment interactions associated with hydrocarbons entering the marine environment from accidental events. The EA will describe those elements of the marine environment that may be impacted from accidental events entering the marine environment, and will include a description of the physical environment for the Port au Port Bay area which may influence the trajectory and fate of hydrocarbons in the nearshore marine environment." However, the environmental assessment report included effects analysis of project-environment interactions that were outside the scope of the assessment (e.g., land use, rare terrestrial vegetation, freshwater fish and fish habitat), and therefore were not considered in our review.

The environmental assessment document does not satisfy all of the information requirements outlined in the Scoping Document, provided to PDI Production Inc. on May 15, 2007. The attached document lists all comments received and is provided for your review and response. In order to satisfy the requirements of the *Canadian Environmental Assessment Act* (CEA Act) and to complete the Screening Report, an addendum or other report, which addresses these comments, is required.

If you wish to discuss these comments, please contact Elizabeth Young (709-778-4232 or eyoung@cnlopb.nl.ca).

Yours truly,

Original Signed by K. Coady

Kim Coady
Environmental Assessment Officer

Enclosure

cc D. Burley
E. Young