

August 22, 2014

Mr. Troy Nelson Senior Regulatory and Compliance Specialist TGS Canada Ltd. (TGS) 2100, 250-5th Street SW Calgary, Alberta T2P 0R4

Dear Mr. Nelson:

Re: TGS Canada Ltd. Seafloor and Seep Sampling Program - Labrador Offshore to Jeanne d'Arc Basin, 2014-2019 Environmental Assessment

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has reviewed the environmental assessment (EA) information regarding the proposed seafloor and seep sampling program in the Labrador Offshore area and Jeanne d'Arc Basin as described in the Seafloor and Seep Sampling Program – Labrador Offshore to Jeanne d'Arc Basin (2014 to 2019) (Aivek Stantec Limited Partnership, April4, 2014) and the Seafloor and Seep Sampling Program – Labrador Offshore to Jeanne d'Arc Basin (2014 to 2019) - Environmental Assessment Addendum (Aivek Stantec Limited Partnership August 15, 2014). The C-NLOPB has completed our environmental assessment determination respecting the Project. A copy of our determination is enclosed for your information.

The EA Report and EA Addendum, as referenced above, describe 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, TGS Canada Ltd. 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, TGS Canada Ltd. 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 program, as described in the environmental assessment reports referenced above:

For geological programs with fieldwork:

- 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 "Seafloor and Seep Sampling Program Labrador Offshore to Jeanne d'Arc Basin (2014 to 2019)" (Aivek Stantec Limited Partnership April 4, 2014) and "Seafloor and Seep Sampling Program Labrador Offshore to Jeanne d'Arc Basin (2014 to 2019) Environmental Assessment Addendum" (Aivek Stantec Limited Partnership August 15, 2014).
- The Operator, or its contractors, shall shut down the Sub-bottom profiler (SBP) if a marine mammal or sea turtle listed as **Endangered or Threatened** (as per Schedule 1 of SARA) is observed in the safety zone when the sound source is active. The safety zone shall have a radius of at least 200 m, as measured from the centre of the sound source.
- No later than January 31, 2015, the Operator shall submit a report to the C-NLOPB describing the progress, including potential environmental effects, the implementation of mitigation measures, and Inuit-specific opportunities of its 2014 program. It shall include, but not be limited to, copies of the Fisheries Liaison Officer (FLO), marine mammal observer (MMO), and seabird observer reports that were produced during the program.

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