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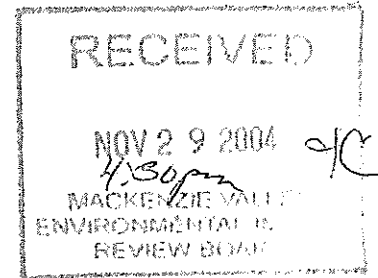
EA 03-009
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Box 1500
YELLOWKNIFE NT X1A 2R3

November 26, 2004

DIAND File Number: 7392-7-J1
MVEIRB File Number: 03-009

Vern Christensen
Executive Director
Mackenzie Valley Environmental Impact Review Board
P.O. BOX 938
YELLOWKNIFE NT X1A 2N7



BY FAX: 766-7074

**Re: Environmental Assessment of the Imperial Oil Resources Ventures
Limited Deh Cho Geotechnical Program – Technical Report and
Hearing Participation**

Dear Mr. Christensen:

Thank you for your letter of November 25, 2004 to Mr. Bob Overvold regarding DIAND's presence at the upcoming public hearing for the environmental assessment (EA) of the Imperial Oil Resources Ventures Limited (Imperial) Deh Cho Geotechnical Program. As DIAND staff advised during the pre-hearing conference on November 24, we will regrettably be unable to attend the hearing due to other conflicting priorities and schedules. In its capacity as a Responsible Minister and expert advisor for this EA, DIAND has reviewed the available documentation and has not identified any outstanding issues with the proposed development.

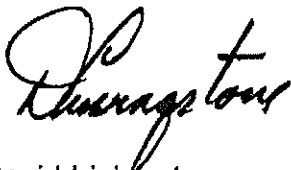
The environmental issues within DIAND's mandate associated with the proposed development have been addressed to the department's satisfaction during the preliminary screening, which included several rounds of information requests, and the environmental assessment process to date.

During the preliminary screening, on December 22, 2003, DIAND's South Mackenzie District provided the Mackenzie Valley Land and Water Board (MVLWB) with recommended operating conditions for the development, should it be approved. These conditions remain valid.

On December 19, 2003, DIAND's Water Resources Division wrote to the MVLWB with several questions about the proposed development. Imperial responded to these questions on January 15, 2004. As noted in DIAND's May 4, 2004 letter to the Mackenzie Valley Environmental Impact Review Board concerning the draft terms of reference for the environmental assessment, DIAND is satisfied with Imperial's response. DIAND has participated in the environmental assessment process, in accordance with its mandate and legislated obligations, and has identified no unresolved concerns with the proposed development from the department's perspective. We will therefore not be submitting a technical report for this environmental assessment.

I understand fully the points you raise in your letter of November 25, 2004 and I share your concerns. However, as I noted earlier, other pressures dictate that we will be unable to attend this hearing. If you have any questions about this matter, please do not hesitate to contact me at 669-2647.

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. Livingstone". The signature is stylized with a large initial "D" and a long, sweeping underline.

David Livingstone
Director, Renewable Resources and Environment

cc. Bob Overvold, Regional Director-General