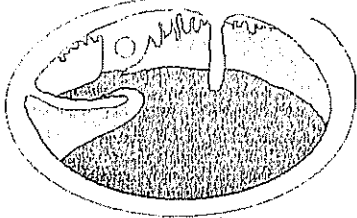


Sambaa K'e

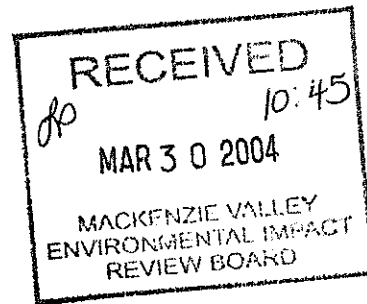


Trout Lake, NT

Sambaa K'e Dene Band
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March 23, 2004



Alan Ehrlich
Senior Environmental Assessment Officer
MVEIRB
Yellowknife, NT

**Re. Community Concerns Regarding Imperial Oil Resources Ventures Ltd.
Geotechnical Field Investigations**

Dear Mr. Ehrlich,

This letter is in response to your March 5th letter requesting more detailed information about the concerns of the Sambaa K'e Dene Band with respect to the Imperial Oil Geotechnical Field Investigations permit application. In drafting this response, we refer you to our letter of February 20th, 2004, where we asked to have the project application referred to an Environmental Assessment.

Our first concern is with respect to the woodland caribou herds that occupy the area surrounding the proposed MGP right of way – which is the area in which the geotechnical investigation is to occur. We have attached a copy of a map prepared for a recent traditional knowledge (TK) study which shows a high concentration of caribou along the current Enbridge right of way, close to the projected route of the MGP. According to our TK research, the number of caribou along this route has been increasing after falling off for many years following the construction of the Enbridge line. We do not want to unnecessarily disturb these herds now that they are returning to this area.

We are not confident that the monitoring process put in place by Imperial (the proponent) is adequate, particularly where contractors unfamiliar with this area are being utilized. Having our members employed by Imperial as monitors is not acceptable because it puts these monitors in a very uncomfortable position – working for the proponent but also

having to answer to the community. Our concern with monitoring is heightened by the fact that DIAND land use and RWED wildlife monitoring activities are inadequate given their limited staff. Based on our TK research, we have recommended that the Sambaa K'e Dene Band be contracted to carry out environmental monitoring activities during the geotechnical investigations -- and we are willing to work with the proponent on this matter. To date, the proponent has not approached us regarding this recommendation. Secondly, as noted in our February 20th letter, Imperial Oil is considering locating a temporary camp at the junction of the winter road and Enbridge pipeline right-of-way, even though the community has provided evidence that this area is located close to natural underground springs and is unsuitable for a camp location. The community has recommended a more suitable site a few kilometres to the south. In spite of clear direction to Imperial Oil, the company has not made any effort to relocate this temporary camp.

Thirdly, consistent with our concern over woodland caribou monitoring, we are not confident that the proponent or its contractors have adequate knowledge of the overall cultural and environmental values and concerns of the community -- they will therefore not be in a position to provide adequate protection to the land. Again, we have recommended that the Sambaa K'e Dene Band be contracted to carry out environmental and cultural monitoring functions -- at arm's length from the Proponent but working within negotiated terms and conditions. We have also recommended that all contractors take cross-cultural / traditional environmental awareness training prior to coming onto our land. We have had no response to date from the proponent regarding these recommendations. Using a regional First Nations' contractor would, of course, alleviate this concern somewhat, given our commitment to our land.

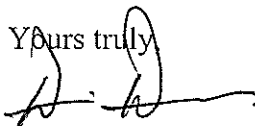
Fourthly, through our TK study, we identified concerns about use of the Sambaa K'e winter road, which is currently built and maintained by the Sambaa K'e Development Corporation, on contract to the NWT Department of Transportation. This road is a very important travel and hunting corridor during the winter months. It is also very narrow and winding in places, passes through a number of areas where underground springs and soft muskeg cause overflow and holes, and crosses three major creeks with quite high approaches. The current community freight haul can cause considerable damage to the road so we are very concerned about major industrial hauling associated with drilling, camps, and other activities. The community is very dependent on this road for its own uses and does not want to risk any closures due to road damage, accidents due to increased industrial traffic, or disruption of hunting activities.

Although ColtKBR approached the community in November to prepare the road for an early opening and the Department of Transportation set aside some funding for winter road right of way improvements, there have been no specific talks regarding road safety, the types of ROW improvements required, or increased road maintenance. Negotiations between the proponent and the Sambaa K'e Dene Band, through its development corporation (and with the involvement of the Department), must take place to ensure viability of the winter road during the geotechnical project.

Finally, we have attached a map showing the eastern K'éotsee (Trainor Lake) watershed area, which is considered a highly sensitive area given the environmental and cultural values of the lake and its tributaries. The K'éotsee watershed flows westward, directly into Sambaa K'e. The sensitivity of this area has been acknowledged by Imperial, which has agreed to move its proposed pipeline corridor further away from the lake. Its importance has also been recognized by the Mackenzie Valley Land and Water Board, which has restricted access to K'éotsee during the proposed geotechnical investigations. However, we understand that Imperial still wishes to investigate gravel pits within this watershed area, in spite of community recommendations to limit development within the watershed. Although this matter may be negotiable, if other alternatives are not available, discussion between the proponent and the community must take place before any authorizations are given. Preliminary discussions on this matter are scheduled for the end of this month.

We would like to note that two other issues raised during the Sambaa K'e Dene Band's traditional knowledge study regarding the MGP were addressed by industry and the Mackenzie Valley Land and Water Board. Based on community concerns, no gravel site investigation or development will occur around Shíhndáákaá Tselaá and there will be no access to K'éotsee for water access or other development purposes. We would certainly appreciate action on our other major concerns.

If you have any further questions or concerns, feel free to contact our office.

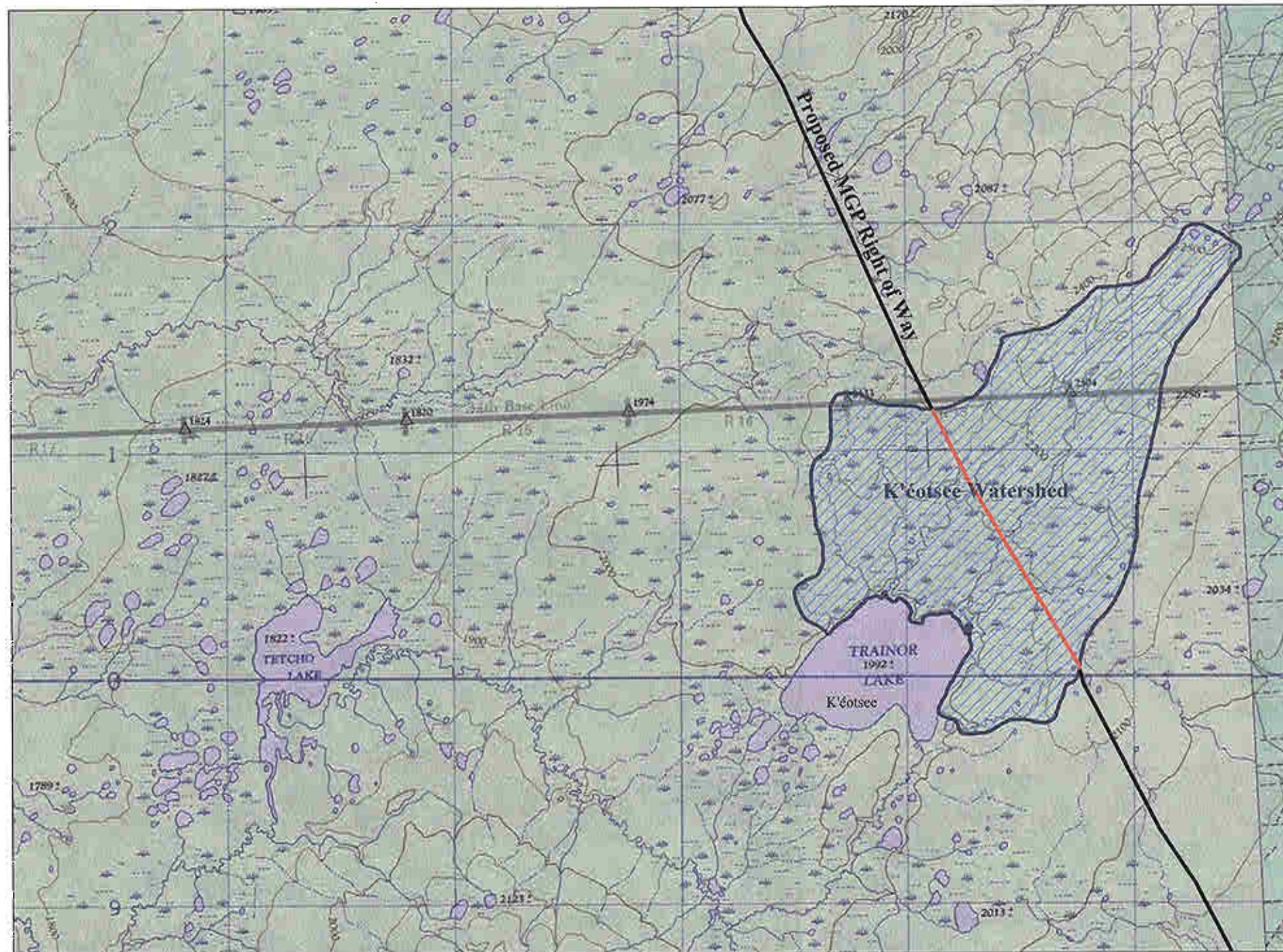
Yours truly


Chief Dennis Deneron

CC.

Deh Cho First Nations
Chief Tim Lennie, Pehdzeh Ki First Nation
Chief Fred Norwegian, Jean Marie River First Nation
Chief Keyna Norwegian, Łíídlı́ Kúé First Nation
President Marie Lafferty, Metis Local 52
Chief Lloyd Chicot, K'ágee Tu First Nation
Crosscurrent Associates Ltd.

East K'éotsee Watershed Area



Legend

- Proposed MGP Right of Way
- Proposed MGP Right of Way
- K'éotsee Watershed

Sensitive Watershed Area:

Recommended area to relocate proposed Mackenzie Gas Pipeline to eastward edge of approved pipeline corridor.

Restricted area for facility and granular site development - no camps, storage areas, gravel pits, etc.

Note:
The K'éotsee Watershed Boundary and Proposed MGP Right of Way illustrate approximate locations only.



Map #: SKDB-TK-2003-04a

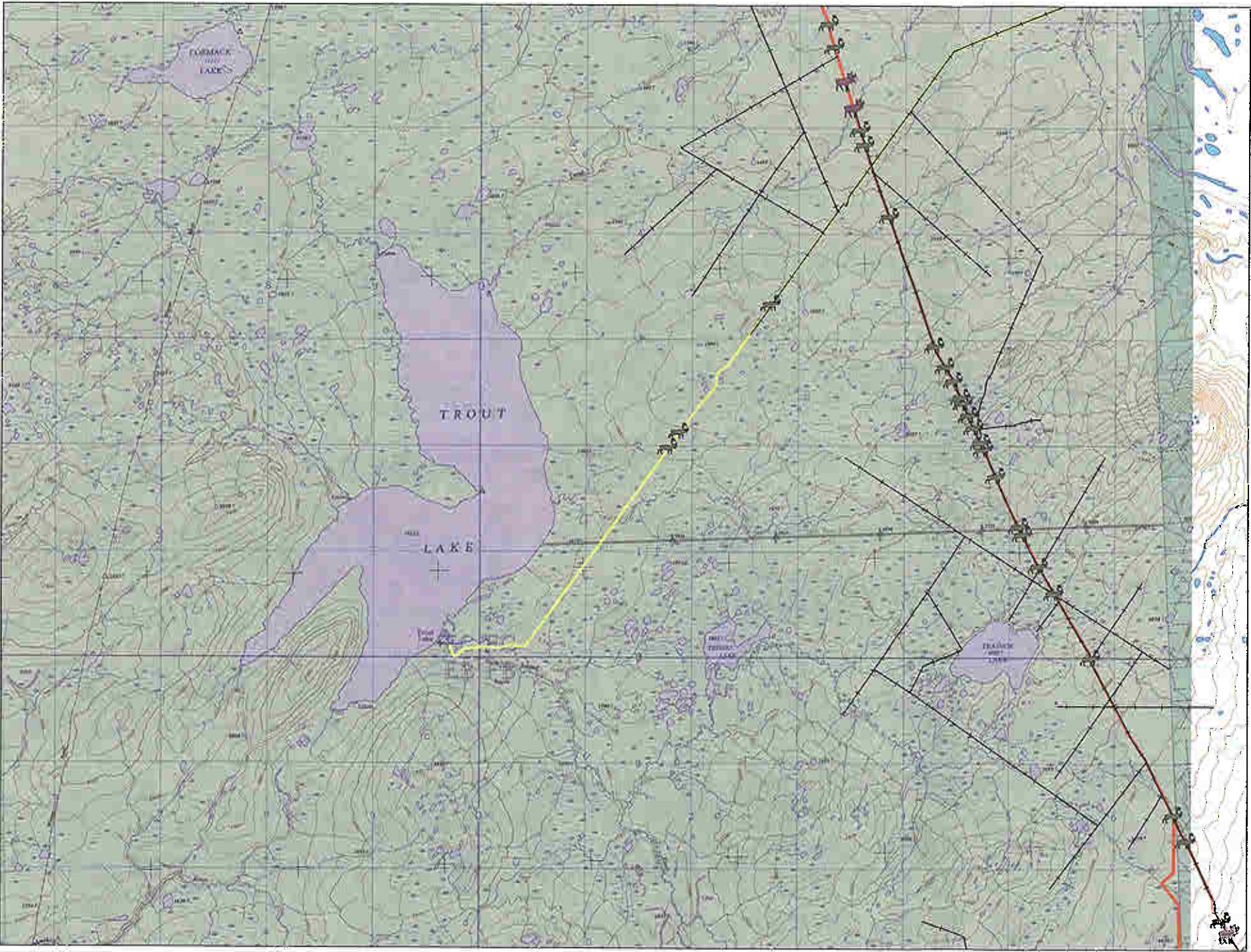
Prepared by: Crosscurrent Environmental Services Ltd., Hay River, Northwest Territories
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0 2 4 8
1:225,000



Mbedzih and Golq Track Sightings

November 8th - 11th, 2003



Legend

- Golq (Moose) Tracks
- Mbedzih (Woodland Caribou) Tracks
- Trout Lake Winter Road
- Enbridge Pipeline Right of Way (Proposed MGP Route)
- Trapline

These track sightings were documented during a four-day ground truthing trip by members of the Sambaa K'e Dene Band as a component of a Mackenzie Gas Project Traditional Knowledge Study.



Note:
The Winter Road, Enbridge Pipeline Right of Way (Proposed MGP Route), and Traplines illustrate approximate locations only.

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0 2 4 8 12 16 Kilometers
1:475,000



Map #: SKDB-TK-2003-03a



Mackenzie Valley Environmental Impact Review Board

Box 938, 5102-50th Avenue, Yellowknife, NT X1A 2N7

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Date: March 31, 2004

Pages: 4 including this page

To: Distribution List

Fax:

CC:

Subject: Imperial Geotechnical EA

NOTES:

Hello All,

See P.R. item #26

Attached is a letter from Sambaa K'e Dene Band providing details regarding community concerns. It was received by the MVEIRB on March 30th, 2004. Two maps were attached, but are too large to fax out. If you would like a PDF scan of the maps to be e-mailed to you, please let me know.

Please note that Review Board has requested that other letters providing details about community concerns be sent in before 5:00 pm on Friday April 2nd.

Regards,

Alan Ehrlich.

Senior Environmental Assessment Officer

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