



March 28, 2006

Ms. Heidi Wiebe
Executive Director
Dehcho Land Use Planning Committee
P.O. Box 199
Fort Providence, Northwest Territories
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Via Fax (867) 699-3166

Re: Response to March 10, 2006 Overlap Meeting:

Dear Heidi,

Thank you for you and your staff's efforts on March 10th. Having reviewed your letter of March 13th we have the following comments.

With respect to the Netla-Arrowhead Special Infrastructure Corridor, we propose the following changes:

This Special Infrastructure Corridor (SIC) reflects the right-of-way or study area for the Netla-Arrowhead corridor and surrounding area proposed pipeline which would allow for the commercialization of existing discoveries. The SIC delineates a corridor within which the proposed pipeline can occur, subject to regulatory approval and any conditions imposed on them by the appropriate regulatory authorities and agencies, and the Terms of the Plan. This zone overlays or floats over the underlying zones instead of cutting through them. The intent is to add an additional permitted use (the pipeline) and set of conditions for pipeline development within a restricted portion of each of those zones. This zone does not imply support for the pipeline by the First Nations, only delineates an area for it. Due to the location of this corridor in an area of

overlap between three communities, the Acho Dene Koe Band, Sambaa K'e Dene Band and the Nahanni Butte Dene Band have agreed that all three First Nations will work together to maximize benefits, consistent with section 42 of the IMA, from the proposed development.

With respect to the Oil and Gas Issuance Area section we again underline our proposed changes.

This zone identifies a block in the Netla-Arrowhead area for an immediate "Call for Nominations" for Petroleum Rights Issuance consistent with the requirements of the Canada Petroleum Resources Act, the Dehcho First Nations Interim Measures Agreement and the Dehcho First Nations Interim Resource Development Agreement. This zone does not imply support or consent for the Petroleum Rights Issuance by the affected First Nations; it only delineates an area for it. Due to the location of this corridor in an area of overlap between three communities, the Acho Dene Koe Band, Sambaa K'e Dene Band and the Nahanni Butte Dene Band agree to initiate discussions on establishing reasonable terms and conditions before a Petroleum Rights Issuance proceeds.

Under New Terms, Netla-Arrowhead Special Infrastructure Corridor Term, we make the following comments:

- The proposed pipeline and infrastructure avoids the most sensitive ecological and cultural areas and provides for compensation and/or mitigation of impacts on Dehcho First Nation(s) traditional land use and occupancy activities in the area;

Should issues such as compensation be included in a Land Use Plan or should such a condition be addressed in a Benefits Plan associated with the development?

- The proposed pipeline and infrastructure minimizes the area affected, the intensity of disturbance, and uses the best available technology to minimize environmental impacts; and

Who defines what is the "best available technology"? Could we say something like the company commits to use best practices to minimize environmental impacts?

These are all of our comments and questions at this time.

Sincerely yours,



Chief Harry Deneron