

April 15, 2013

Mr. Kyle Sherwin National Energy Board 444 Seventh Avenue SW Calgary, Alberta T2P 0X8

> RE: Information Request No. 4 to TGS/PGS/MKI File OF-EP-GeoOp-M711-555-4587 02 CEAR File # 10-01-53884

As per your letter of March 19th, 2013, please find MKI responses to Information Request Number 4.

4.1 Reference:

- i) Letter of Comment from the Government of Nunavut dated 10 June 2011, sections 5.3 and
- ii) MKI Response to NEB Information Request No. 1 dated 23 February 2012, 5.7, page 4

Preamble: Reference i) asked the company the following:

5.3 During conditions of low visibility and where safety zones are not visible, please clarify that seismic surveying will not take place. Please clarify the number of Marine Mammal Observers that will be hired for each vessel, who will be available for monitoring at a single time, and who the MMO's will report to.

5.7 Using a consultation document written by the company in 2007 is not considered active engagement of the fishing industry in Nunavut. A lot has changed since then with increase in quota and more activity in the area of 0A and 0B. In addition, the 5th paragraph is written in a way that is unclear and potentially misleading. Establishment of quotas should be stated directly for the NAFO areas 0A and 0B. It is not clear what is meant by "rebuilding programme"; why the FLO would monitor the "issue"; or whether the paragraph is referring only to the Turbot fishery or if some part of it also refers to the Shrimp fishery. Please update and clarify.

MKI's response in reference ii) does not address the comments of the Government of Nunavut in referenced i).

Request:

Please provide information that addresses the Government of Nunavut's comments in reference i).

5.3 MKI Response: The 2D Seismic Survey will adhere to the "Statement of Canadian Practice". During conditions of low visibility and where safety zones are not visible, as noted in Information Request No. 1, item 5.3, MKI noted it is widely recognized that the overall performance of towed Passive Acoustic Monitoring (PAM) systems currently available is highly variable and dependent on a number of operational and technical challenges as well as requiring the presence of vocalizing animals. While towed PAM is not yet a proven monitoring technology in Arctic waters, PAM will be implemented on a trial basis to monitor the presence of cetaceans. Details of the PAM equipment to be used, mode of operation and trial period will be confirmed at a later date.

In addition to the research vessel, MKI will be contracting a support/supply vessel for the duration of the program. MKI taught Marine Mammal Observation training to the students in the Arctic College Environmental program first and second year students in June 2012. A follow up meeting was held with Jason Carpenter, Arctic College in October 2012, prior to the start of the program MMO positions will be advertised and all Inuit are encourage to apply for these positions. There will be a total of four MMO's contracted for the duration of the project, for each rotation. It is anticipated that two will be Inuit Observers whom show interest in the project.

There will also be onboard a dedicated PAM Operator.

5.7 MKI Response: The EA makes reference to 2D seismic reflection surveys in the Davis Strait in 2007 – 'Environmental Impact Assessment for Marine 2D Seismic Reflection Survey, Baffin Bay / Davis Strait / Labrador Sea, Offshore Canada ' (LaPierre et al., 2007). It is not unusual to make reference to previous references in the EA, it was not MKI intention that this would replace additional consultation with the Fishery prior to commencement of the project.

The initial meeting set for January 11th, 2012 with Baffin Fisheries Coalition in preparation of the EA was cancelled as Jerry Ward was not available in Iqaluit at this time. Subsequent meetings in 2012 have taken place with Jerry Ward of BFC to share information and concerns.

On 23rd February 2012, MKI sent responses to National Energy Board from Information Request No. 1. The comment below was made by the NG and the MKI response indicated that fisheries maps would be updated and provided to the NG.

Comment: 4.9 Commercial Fishing: location maps from 2006-2007 for Turbot and Shrimp are out of date. Please provide an update of the current fishing area data.

MKI Response: Updated fisheries maps will be provided to the Nunavut government.

On December 12th, 2012 in keeping with our commitment copies of the updated maps were provided to the NEB and NG. Maps of Shrimp and Turbot fisheries from 2008, 2009, and 2010 were attached; however, data provided from 2011 was incomplete at the time of preparation and were not included there.

A meeting was held with the Baffin Fisheries Coalition (BFC) on June 25th, 2012. In 2011, the BFC submitted a letter to the NEB expressing the company's concerns around the impact on fish behavior and the potential decrease in catch per unit effort. Another concern noted was the timing of the seismic survey project as it occurs in prime fishing territory. However, in the meeting, it was stated that BFC does not oppose this project provided that seismic surveying is scheduled so as to not directly interfere with fishing activity.

The BFC expressed a desire to work closely with the project proponents so that the fishing vessels and the seismic survey vessel are not in the same area at the same time. It was explained that the survey would take place over four to five years and that there would be the opportunity to work together to identify means to mitigate the effect of the survey on the fishery. Prior to the commencement of the project, MKI will meet with BFC to share the first year map of lines to be collected and work with BFC to minimize fisheries concerns. This is the same process currently being followed by MKI and the FFAW for current MKI projects in Newfoundland and Labrador in 2011, 2012, & tentatively 2013. Members of Arctic Fisheries Alliance will also be invited to this meeting, in order that we can all work together for a successful season.

There was a community engagement session for Iqaluit scheduled for 25th June 2012 at 6pm at the Baffin Fisheries Coalition boardroom. The location and time for the community engagement session was broadcasted on CBC radio earlier in the day. Unfortunately, the other events, and inclement weather, no community members attended.

Alanna Gauthier (NEXUS Coastal) met with a CBC North Radio/TV reporter-editor at the community engagement session. Topics discussed in the interview included:

- role of NEXUS Coastal (the Engagement Team) in the project
- The concern about the timing of the engagement sessions
- ➤ The possible effect of the seismic survey on the commercial fishery
- The reason for no community members attending the meeting
- The community engagement strategy

The interview resulted in an article written, and posted on the CBC News North website. Included in this article is a quote from the Baffin Fisheries Coalition CEO "My understanding is they've met with the QIA and with the city here and some other officials - the process is being done. I've certainly learned more today and yesterday, I guess, than what I knew before".

4.2 Reference:

Environmental Impact Assessment for Marine 2D Seismic Reflection Survey Baffin Bay and Davis Strait Offshore Eastern Canada by Multi Klient Invest AS, page 112

Preamble:

The list of mitigation measures in the above reference includes the "alteration of vessel speed speed/course providing it will not compromise safety and requirements"

Request:

Please describe the specific circumstances in which the vessel speed or course would be altered.

MKI Response:

- Weather
- > Traffic
- Fishing Activity
- Mechanical

4.3 Reference:

MKI Response to NEB Information Request No. 1 dated 23rd February 2012

Preamble:

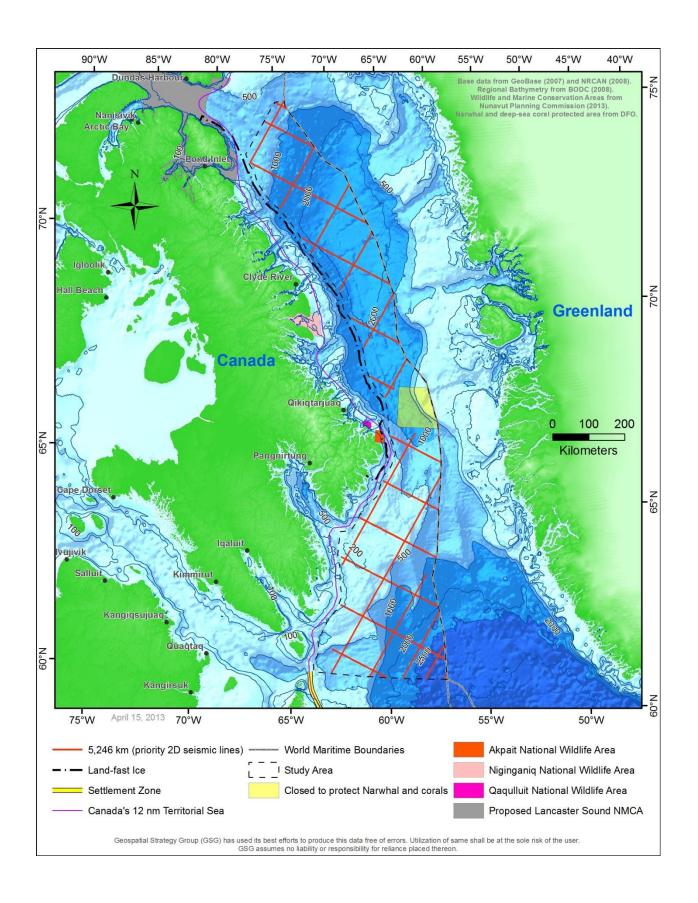
On page 2 of the above reference, MKI indicated the following "The Survey Acquisition Plan is ongoing as we continue to consult within communities and can be provided prior to the start of the program".

Request:

Please indicate when the Survey Acquisition Plan will be submitted to the NEB. Alternatively, confirm that MKI plans to acquire lines indicated in their Environmental Impact Assessment (page 14, Figure 1).

MKI Response: MKI seeks approval of the full 16,173 km shown in Figure 1 of the EA page 14. These lines are to be collected over a number of years. MKI is currently working on the acquisition plan for the project and priority lines for year one. Shown below in Figure 1 are the expected Priority Lines for 2013 acquisition. This represents 5,246 km of the proposed 16,173km outlined for approval. The lines to be acquired in the first year will depend on the requirements of pre committing companies and this is difficult to finalize at this time. For this reason MKI seeks the full approval of all lines and also as noted above in order to allow flexibility in

collection of lines as necessary to mitigate fisheries concerns. The full acquisition plan will be provided to the NEB 30 days before commencement of the survey acquisition, no later than July 15, 2013.



I trust the above MKI responses will satisfy your questions, if you require anything further please donot hesitate to contact me.

Respectfully,

Darlene Davis

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RPS Energy Canada Ltd.