July 24, 2025

DRAFT Scoping Document
Closure and Reclamation - Imperial Oil's Norman Wells Facilities (EA2526-01)

1. Introduction

The Mackenzie Valley Environmental Impact Review Board (Review Board) is conducting an environmental assessment (EA) on the closure and reclamation of Imperial Oil NWT Ltd.'s (Imperial's) Norman Wells facilities (EA2526-01). **This environmental assessment will identify and assess all the activities required to properly abandon, remediate, and reclaim (referred to as "Closure and Reclamation" activities) facilities in the Norman Wells Proven Area. This EA is not about assessing the impacts of the ongoing and future operation activities.**[1]

This EA is currently in the scoping phase. The Review Board is seeking comments on the proposed scope and approach described in this document and will incorporate what is heard into future scoping documents.

This document serves two purposes. The first is to provide information to parties to help guide comments and discussion as the Review Board continues to scope this environmental assessment. Information in this document regarding the scope of development comes from Imperial's *Interim Closure and Reclamation Plan*[2] and what was heard at the scoping meetings in Rádeyı̨lı̨ Kǫ́ (Fort Good Hope) and Tłegǫ́hłı (Norman Wells).

The second purpose of this document is to provide parties with the Review Board's proposed approach for this complex environmental assessment. This includes Imperial developing an updated project description report through a comprehensive and inclusive scoping phase facilitated by the Review Board, and general steps to complete the environmental assessment of the closure and reclamation of the Norman Wells oilfield.

The Review Board is planning to continue to follow a comprehensive scoping approach with the developer and communities to better understand the scope of development. This document:

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[1] Imperial's remaining proposed operations at Normal Wells are the subject of a separate current EA by the Review Board (EA2425-02).

[2] Imperial's *Interim Closure and Reclamation Plan* can be found here: https://new.reviewboard.ca/sites/default/files/project_document/norman-wells-interim-closure-and-reclamation-plan-2016_0.pdf

- provides a summary of what the Review Board has heard so far in the scoping process about the scope of development for this assessment for the closure and reclamation of the Norman Wells oilfield.
- describes what is proposed to be part of the development[1] and how the Review Board plans to gather more information to determine the scope of the environmental assessment.
- describes in general terms how the Review Board is proposing to incorporate some of the guidance from the Land and Water Boards regarding closure planning into the EA process.

2. Background: Imperial has a century-long legacy in Norman Wells

Sahtú Dene and Métis have inhabited the area now known as Norman Wells for generations, and traditionally used oil seepages along the Mackenzie River for waterproofing canoes with tar. The "discovery" of oil in the Sahtú was a catalyst for treaty negotiations, as the federal government wanted legal access to the land for resource extraction and infrastructure development, eventually resulting in the signing of Treaty 11.

In 1919, Imperial Oil began drilling at a seep location in the area the Dene referred to as Tłegǫ̀hłı (‘where the oil is’). The location became known as Norman Wells because of its proximity to Fort Norman (Tulít’a) In August 1920, a crew struck oil, creating a 70-foot gusher when oil spewed out of the ground at high speeds. In the early 1920s a small refinery was built; demand and production remained small and the refinery was closed and existing wells capped. In the 1930s, oil production increased to support mining and a larger refinery was built.

With the onset of World War II, the US Army, with Dene and Metis guides, built a pipeline (the Canadian Oil (CANOL) pipeline) from Norman Wells to Whitehorse over the winter of 1943-1944.[2] This trail followed the trails of the ancestors of Indigenous people. During the initial period of operation, there was limited environmental oversight and resource extraction occurred with little regulation.

Oil production began to gradual increase in the 1960s and 1970s with a major expansion in the early 1980s. Construction of six artificial islands on the Mackenzie River, drilling of 253 wells and construction of an 870 km pipeline to Zama City happened in 1985. The building of the pipeline to Zama City was approved in 1981, just four years after Justice Berger released his report calling for a ten year moratorium on oil and gas pipelines in the Mackenzie Valley (to allow time to negotiate land claims in the Mackenzie Valley). The Government of Canada approved Imperial Oil and Interprovincial

[1] The scope of development includes all the physical works and activities required for the project to proceed.

[2] Also in 1944, the Norman Wells Proven Area Agreement was signed by the federal government and Imperial Oil Limited. The Agreement granted Imperial Oil the exclusive right a privilege to drill for, mine, win and extract all the petroleum and natural gas from the field. The Government of Canada receives, as partner in the project, a one third ownership interest in the gross production from this area.

Pipeline's proposal to expand the oil fields and build a pipeline to Zama City, Alberta. Currently, Enbridge Inc. operates the pipeline.

Production of oil from Norman Wells increased after the construction of the pipeline with peak production occurring in the early 1990s. By the time of this peak production, environmental oversight over resource extraction project had become more regulated. However, the legacy of Imperial Oil's early days resulted in large scale concerns about the impacts of petroleum extraction on the land, water, wildlife and way of life. These include concerns about:

- spills from drill rigs, tanks, barrels, pipelines and sumps;
- flaring polluting the air;
- hydrocarbons in the fish; and
- waste, including barrels, buried throughout the Norman Wells Proven Area.

3. The Review Board has ordered the EA and held scoping sessions

On March 31, 2025, Imperial requested[1] that the Review Board initiate an EA on the closure and reclamation of its Norman Wells oilfield. On April 23, 2025, after receiving the request for referral by Imperial, the Review Board decided to order an environmental assessment of the closure and reclamation of the Norman Wells oilfield. The EA is currently in the initial steps of scoping, focusing first on defining the project description and scope of the development. Scoping meetings were held in Fort Good Hope (June 24) and Norman Wells (June 25). Scoping of closure and reclamation of the oilfield is being coordinated with the scoping of Imperial's Norman Wells Operations EA.

4. Scoping the EA will be a complex process

4.1 Scope of development: Closure has known and unknown components

The Review Board is aware of several components that will need closure and reclamation based on the Imperial's 2016 Interim Closure and Reclamation Plan and from scoping activities to date. Norman Wells Operations is in the Norman Wells Proven Area (Proven Area, Figures 1 and 2), which covers all of Goose Island, most of Bear Island and a portion of Frenchy's Island, the six artificial islands, and the mainland, including the Central Processing Facility (CPF). Collectively, the oil and gas production facilities on the mainland and all islands are the oil field.

The oil field includes both permanent and temporary infrastructure. Permanent infrastructure includes:

- terminals on the islands and mainland (including pipeline and production terminals);
- production, injection, suspended and abandoned wells;
- miscellaneous infrastructure (including flow lines) associated with gathering, testing, and transport of production from the islands;

[1] See Imperial's request here: https://new.reviewboard.ca/sites/default/files/project_document/2025-03-31-imperial-norman-wells-operations-closure-and-reclamation-environmental-assessment-self-referral-1.pdf

- miscellaneous infrastructure to support transportation around the site (e.g. helicopter pads, barge and boat landings); and
- other miscellaneous bermed areas for the storage of hazardous waste, chemical, methanol, diesel, and gasoline.

Temporary infrastructure refers to the ice roads that are constructed seasonally.

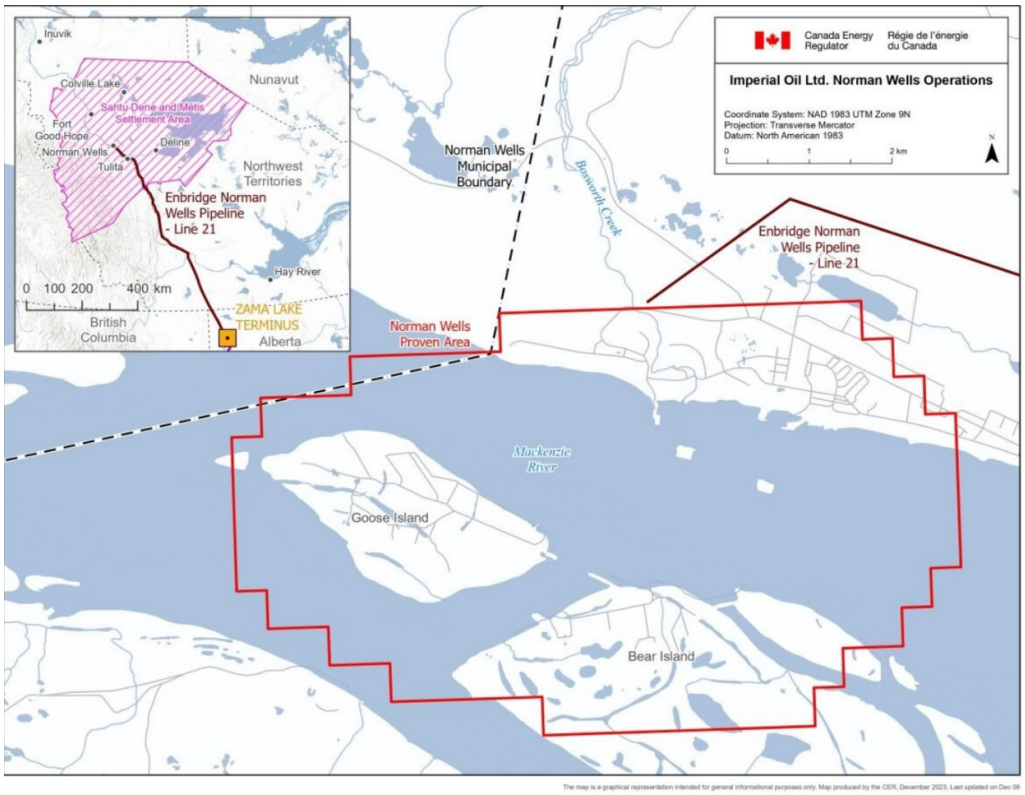

Figure 1: This map from the Canada Energy Regulator shows the Norman Wells Proven Area, in relation to the broader Sahtu Dene and Metis Settlement Area. It also shows the pipeline from Norman Wells to Zama City, Alberta.

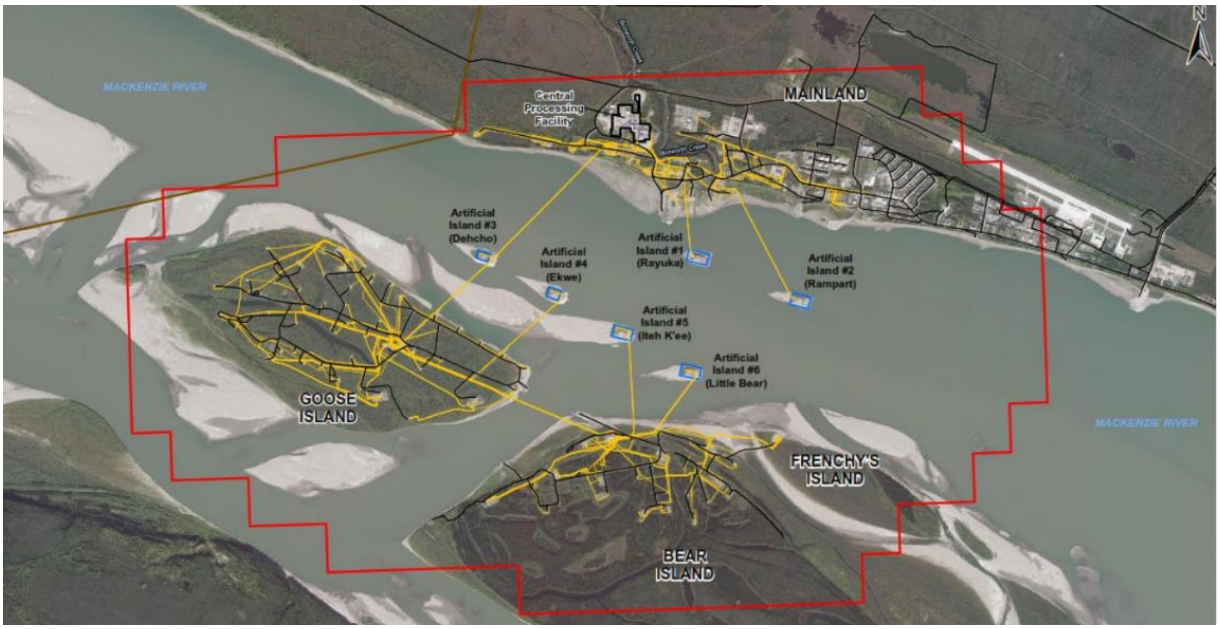

Figure 2: Norman Wells Operations – Field layout. Figure from Imperial's Community Scoping Session presentation.

The Central Processing Facility includes:

- the flare stack;
- tank farm;
- water and oil pumping facilities;
- settling ponds and retention area (CPF Impound);
- glycol heaters and waste heat recovery equipment;
- gas processing, drying and refrigeration facilities;
- MCC power generation facilities;
- gas compression and crude oil chilling equipment;
- an office area;
- and miscellaneous skids and mechanical buildings.

Many elements of the final project description are still unknown; the remainder of the scoping process will be designed to identify these. Abandoning, remediating, and reclaiming the Norman Wells Proven Area will require Imperial to look for areas requiring cleanup beyond what is identified as infrastructure in the oilfield. During community scoping sessions in both Fort Good Hope and Norman Wells, participants noted that waste (barrels and machinery were provided as examples) was disposed of in and around Norman Wells in ways that would not meet any current environmental standards. Final disposal and remediation of all machinery, barrels, old metal, and more, along with any spills associated with their disposal, will be part of the closure environmental assessment. Imperial must also further consider its plans for abandoning, remediating and reclaiming the artificial islands.

4.2 Closure involves many activities, some known and some unknown

Imperial's closure goal is "to return the site and affected areas to viable and wherever practicable, self-sustaining ecosystems that are compatible with a health environment and with human activities". The closure goal has been met when all the closure objectives have been achieved (Figure 3). The Review Board recognizes that Figure 3 describes an approach for the closure and reclamation of advanced exploration sites and mines. The Review Board intends to adapt this planning approach for this environmental assessment. Imperial has defined site-wide and component specific closure objectives in its Interim Closure and Reclamation Plan (pages 8 and 9).

That plan defines closure activities as specific actions and measurements that are planned and completed to meet closure objectives. In general, when it is time to close a particular area, the following steps are taken in sequence:

1. Wells and underground systems are either cleaned and sealed off using proven methods or completely removed.

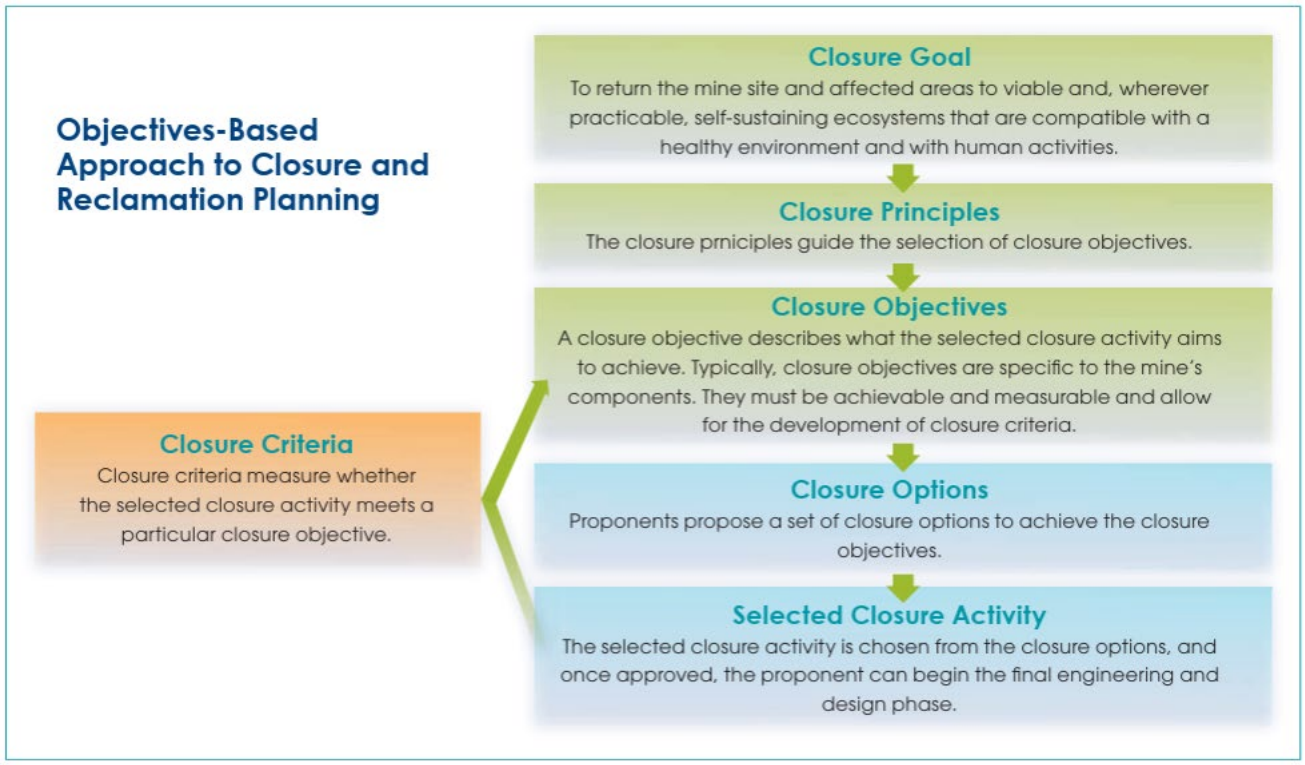

Figure 3: Objectives-based approach to closure and reclamation planning (from the MVLWB's Closure Guidelines)

2. Buildings, equipment, and other structures on the surface are taken apart and removed.
3. Soil and groundwater in the area are tested to see if there's any contamination.

4. Based on the results, the best methods are chosen to clean up or reduce any contamination found in the soil or water.
5. Once the cleanup is done, the land is restored and monitored according to a Closure and Reclamation Plan.

Some closure activities involve unknowns. A key part of Imperial's closure objectives relates to strategies to remediate soil contaminated by hydrocarbons and other pollutants across the Proven Area. Not all the locations and contaminants have been identified as of yet. Decisions about the fate of the artificial islands will also determine closure activities.

5. The Board proposes a collaborative EA approach for planning and assessing closure

As described above, decisions about preferred closure options still need to be made, considering a variety of factors including community concerns, and other aspects of the clean up have yet to be determined. The Review Board therefore proposes to follow a two-part approach to assessing Imperial's closure. First, the Review Board will lead a collaborative and inclusive approach to closure planning modelled after the Mackenzie Valley Land and Water Board (MVLWB) *Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories*[1] (Closure Guidelines).[2] This approach will allow Imperial to consider the views of parties when it develops it's updated project description report (its updated closure and reclamation plan). Second, the Review Board will assess the impacts of the proposal for closure and reclamation.

5.1 Part One: Working together to help Imperial update its closure project description

Initial scoping for this EA will take a different approach to most EAs. The current project description from Imperial is a 2016 *Interim Closure and Reclamation Plan*. The Review Board's process will facilitate a collaborative approach to updating this *Interim Closure and Reclamation Plan* into a project description that can be used to define the scope of the environmental assessment. The Board's process will use the closure planning approach from the MVLWB Closure Guidelines.

The Review Board will facilitate a participatory process which will allow parties and Imperial to:

a) **Review** the **closure goal.**

[1] See the *Closure Guidelines here:* https://mvlwb.com/media/873/download?inline

[2] The Review Board notes that while the MVLWB *Closure Guidelines* are specific to advanced mineral exploration and mine sites, the process outlined in the Guidelines are applicable and useful for closure and reclamation of oil and gas operations as well.

b) **Consider** the **proposed closure principles/ key issues**[1]
c) **Identify and review** component-specific closure **objectives**[2] for each component.
d) **Identify and evaluate** component-specific closure **options (alternatives)** for each component.
e) **Select** the **preferable closure option (alternative)** for each component.
f) **Assess different approaches** to post-closure **monitoring, evaluation and management**.
g) **Consider community involvement** in site assessment and monitoring, research and governance.

This approach to the EA **will enable Imperial to understand the concerns of parties when it submits an updated project description to the Review Board.**

Based on concerns expressed in Imperial's previous regulatory processes and in the Review Board's scoping sessions of June 2025, the above review of closure goals, objectives and options will require consideration of the following factors:

1. Mackenzie River water quality
2. Indigenous culture, relationship with the land and land use
3. Climate resilient and adaptive infrastructure
4. Local capacities and economic transition
5. Governance, trust, stewardship and long-term accountability

These will be validated in workshops and other engagement with parties to the EA.

5.2 Part Two: Assessing the impacts of Imperial's updated closure plan

After this initial scoping is complete, the EA will continue following the more typical Review Board process. Imperial will use the information gathered in Part One to prepare an updated project description and submit it to the Review Board. Following the submission, the Review Board will:

- release a Terms of Reference that includes the scope of development and scope of assessment,
- require Imperial to produce a Developer's Assessment Report to meet the Terms of Reference, and

Once Imperial has submitted its Developer's Assessment Report, the Review Board will, with input from parties, analyze the proposed closure and reclamation project to predict, and assess its potential impacts on people and the land through the remainder of the environmental assessment process.

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[1] from MVLWB Closure Guidelines, p 13-14), closure principals include: physical stability, chemical stability, long-term stability without ongoing maintenance (making sure the site can take care of itself after closure), and future use of the site.

[2] A closure objective explains what a developer is trying to achieve by doing a specific clean-up or reclamation activity.

After the analysis of the proposed closure and reclamation project, the Review Board will make decisions about impact significance, including prescribed mitigation measures if necessary, and report its recommendation under par. 128(1) of the *Mackenzie Valley Resource Management Act*.

6. The Review Board is planning more scoping sessions in September

The next steps planned for the scoping phase will include scoping sessions in Tulít'a, Délı̨nę, Tsiigehtchic and Inuvik. The Review Board is hoping to host these sessions in September. The Board will also host additional scoping sessions in Yellowknife in September, with a focus on the more technical aspects of the project. The Review Board hopes that this document provides useful information for parties to consider before those sessions.

The Review Board is also considering options for scoping hearings in communities so that Review Board members can hear directly from members of the public.