



Ontario

Ministry of Natural Resources
Ministère des Richesses naturelles

353 Talbot Street West
Aylmer West, Ontario
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(519) 773-4747

Registered Mail

November 13, 2002

Nichols Gravel Limited
P.O. Box 172,
Delhi, Ontario, N4B 2W9

Attention: Mr. Gary Nichols

Dear Sir,

Subject: OMB Case No. PL990656 – Nichols Gravel Ltd.

This letter is written in order to provide your company with an update as to the status of your Aggregate Licence application for the property located on Pt. Lots 10, 11, and 12, Concession 12, in the Geographical Township of Walpole.

Apart from the ongoing investigation into the allegation of your company operating an illegal quarry, I am working with the OMB and MOE to clarify the situation with respect to the sequence of the Aggregate Licence and Permit to Take Water approvals that you require. I have submitted a proposal to the OMB that I believe is technically workable and would permit MNR to proceed with the issuance of the Aggregate Licence.

In anticipation of the imminent issuance of the Aggregate Licence, I would like to inform you of some key matters and Licence Conditions you must satisfy, that is a requirement of the Licencee, and prior to commencing extraction operations on the property. These key items are:

- 1) The site plans for the property require final approval. If there is new information pertaining to the site plan (ie. drilling or groundwater data) that has not been included, then this information should be reviewed by the MNR office. Any new information may have an effect on fulfilling the Conditions related to the Aggregate Licence.
- 2) Obtaining the surface and ground water Permit To Take Water approvals from MOE. These approvals usually take several months to acquire and could involve background water monitoring information. Depending on the information involved with these Permits, an actual Permit may be required to any extraction allowed on the property.
- 3) A Spill Contingency Program should be developed prior to site preparation.
- 4) A Certificate of Approval will be required for the discharge system should water be discharged off site.
- 5) A Certificate of Approval will be required for the processing equipment to be used on site.
- 6) A blasting monitoring system will be set up and utilized for all ground vibrations and blasting overpressure. Records of all blasting operations will be forwarded to the MNR and all blasting reports should contain information as recommended by MOE.

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- 7) All residents within 300 metres of the edge of the extraction area shall be thoroughly inspected by the licensee consultant prior to the start of quarry blasting operations.
- 8) The first six quarry blasts shall be monitored for both vibration and over-pressure (noise) at a minimum of four locations for each blast in order to accumulate site-specific data quickly. The monitoring results and the consultant's analysis and recommendations shall be submitted to the local offices of MNR and MOE.
- 9) Residents within 300 metres of the quarry site, which will be thoroughly inspected in accordance with the recommendations of the licensee's consultant, shall be re-examined following the initial six blasting operations. Should the blasting cause any damage, as determined by the licensee's consultant, the licensee at his expense will repair it.
- 10) The licensee will provide for the installation of monitoring well nests with up-gradient, down-gradient, and cross-gradient wells at the top of the Bois Blanc Formation, to the base of the Bois Blanc Formation, and into the Bertie Formation at the property boundaries.
- 11) All on-site monitoring well nests shall be fitted with electronic water level monitoring equipment.
- 12) After the quarry licence is issued, the water monitoring consultant will commence, with the permission of the property owner, monitoring of all water wells within 120 metres of the quarry boundary, and the wells presently owned by D. Wilson, D. Greenfield and M. Roulston. Also, baseline water quality sampling of the water wells within the 120 metre monitoring radius and the above three noted wells will be required.
- 13) External berming will be constructed around the quarry to prevent any surface water spillage into the quarry, any surface water collected external to the quarry shall be directed to its existing outlet.
- 14) The licensee will obtain any required approvals, pursuant to the provisions of the Drainage Act, for discharge of water to the Harrop Drain.
- 15) The site plans should be amended to provide for an access of sufficient width and clearance along the eastern property line, to ensure the ability of a vehicle to access and maintain the existing gas well and infrastructure shown on the site plans.

Since these Conditions are very numerous and technically involved I am available to discuss the full extent of your obligations pertaining to the Aggregate Licence. Please give me a call at (519) 773-4747.

Yours truly,



Paul G. Cutmore

Aggregate Resources Inspector, Aylmer District

c.c. Gary Zacher – Acting Enforcement Supervisor