



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
JANUARY 1 – MARCH 31, 2009

Table of Contents

1.0	Introduction.....	3
2.0	Highlights for the Period.....	3
3.0	White Rose Employment Summary	3
4.0	North Amethyst Tieback Project	4
5.0	Procurement Summary (Contracts > \$250,000).....	5
6.0	Exploration.....	5
7.0	Photographs	6

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2009, as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's East Coast Operations and includes activities of its major sub-contractors as well.

2.0 Highlights for the Period

- Overall Canada / Newfoundland content for Husky's East Coast operations which includes the White Rose Project, North Amethyst Project, and Exploration was 54.5% NL and 18.6 % Other Canadian.
- A total of 8.7 million barrels of oil were produced during the period from Jan 1, 2009 to March 31, 2009 at an average production rate of 96,320 bbls/ day
- Total production from first oil up until March 31, 2009 is 123 million barrels
- Total employment for White Rose Operations was 1094 as of March 31, 2009.
- Total Employment on the North Amethyst Project was 487 of March 31, 2009.

3.0 White Rose Employment Summary

As of March 31, 2009, a total of 1094 people were employed on Husky's White Rose Operations. This includes people employed with Husky and its contractors. Of this total 960 or 87.7% were residents of Newfoundland and Labrador when hired, while another 86 or 7.8% were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as at March 31, 2009.

Table 3.1 - Employment Summary by Location, as of March 31, 2009



Employment by Location for: **White Rose**
March(2009)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	478	16	494	49	0	49	15	0	15	558
St. John's	307	159	467	35	2	37	31	2	33	537
TOTAL	785	175	960	84	2	86	46	2	48	1,094

4.0 North Amethyst Tieback Project

Progress continued to be made on the North Amethyst project in the 1st Quarter of 2009. A total of 487 people were employed on the project as of the end of March 2009. Person hours for the period totaled approximately 175,149 bringing the total to date to over 1,135,000. Over \$84 million was expended on the North Amethyst project for the period Jan 1 to March 31, 2009. Overall progress to date is over 50% with first oil estimated for late 2009 or early 2010.

Table 4.1 North Amethyst Employment By Location for Q1 2009




Employment by Location for: **North Amethyst**
March(2009)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Bull Arm	164	4	168	0	0	0	6	0	6	174
St. John's	158	45	203	4	1	5	85	20	105	313
TOTAL	322	49	371	4	1	5	91	20	111	487

5.0 Procurement Summary (Contracts > \$250,000)

There were 8 contracts greater than \$250,000 awarded during the first quarter of 2009.

Table 7.1 Procurement Summary – Q1 2009

Husky East Coast Operations Procurement Summary		2009 - Q1					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
Subsea Equipment Storage	SeaForce Technologies Inc.	Mount Pearl, NL	B	100%			100%
Vessel MV Anticosti	Northern Transportation Company Limited	St. John's, NL	C	100%			100%
Vessel MV Ocean Foxtrot	Atlantic Towing Limited	Halifax, NS	C				0%
Subsea Engineering Services	Acergy Canada Limited	St. John's, NL	E				0%
Drilling Fluids	MI Drilling Fluids Canada Inc.	St. John's, NL	J	27%	40%	33%	100%
Directional Drilling MWD/LWD	Schlumberger Canada Limited	Mount Pearl, NL	L	15%	65%	20%	100%
Hose Management Strategy	Atlantic Hose & Filing Ltd.	St. John's	B	100%	0%	0%	100%
							0%
NORTH AMETHYST CONTRACTS							0%
Inflow Control Device & Stand Alone Screens	Schlumberger Canada Ltd	Mount Pearl, NL	K	7%	30%	63%	100%
Cost Range Code Legend							
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$	M = 50,000,001 - 75,000,000 \$				
B = 500,001 - 1,000,000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$	N = 75,000,001 - 100,000,000 \$				
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$	O = Over 100,000,001 \$				
D = 1,500,001 - 2,000,000 \$	H = 7,500,001 - 10,000,000 \$	L = 30,000,001 - 50,000,000 \$					

6.0 Exploration

There were no exploration activities for the first quarter of 2009.

7.0 Photographs

NECL



Module Hall – Apr 03, 2009



SDU #1 Foundation



Production Flowline Termination Module



Trial Fit Water Injection Module #1



MSF #1 being Insulated

Cameron



Subsea Distribution Unit #1
during FAT



MPFM – Multi Phase Flowmeter



ICSS/MCS Test Area



HFL Test area Duco

Technip



Umbilical Termination Assembly (UTA)



North Amethyst Packaged Flowline



Umbilical on Carousel



Rock Dumping Vessel – Tideway Rollingstone

SIT



SIT Work Area – March 27, 2009



Jumper Deployment Frame Test



Mock ROV with SDU Base