



# Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT  
OCTOBER 1 – DECEMBER 31, 2011

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## 1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending December 31, 2011, 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 Atlantic Region and includes activities of its major sub-contractors as well.

## 2.0 Highlights for the Period

- Over \$89 million in purchase orders for goods and services were issued in this quarter.
- Overall Canada / Newfoundland content for Husky's operations which includes the White Rose Project, North Amethyst Project, West Pilot Scheme and Exploration was 69.21% Newfoundland & Labrador, 17.38% Other Canadian, and 13.41% Foreign.
- Total employment for Atlantic Region operations was 1109 as of December 31, 2011, representing a content of 90% NL and 7% Other Canadian.
- All positions for Atlantic Region operations were located in Newfoundland and Labrador.

## 3.0 White Rose Employment Summary

As of December 31, 2011, a total of 905 people were employed on Husky's White Rose Operations of which 435 were located offshore. This includes people employed with Husky and its contractors. Of this total 826 or 91% were residents of Newfoundland and Labrador when hired, while another 64 or 7.1% were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as at December 31, 2011. The number of females employed on White Rose operations was 159 or approximately 17% of the total workforce (Table 3.1).

**Table 3.1 - Employment Summary by Location, as of December 31, 2011**



Employment by Location for: **White Rose**  
December(2011)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Total	Male	Female	Sub-Total	
Offshore	398	10	408	26	0	26	1	0	1	435
St. John's	276	142	418	32	6	38	13	1	14	470
<b>TOTAL</b>	<b>674</b>	<b>152</b>	<b>826</b>	<b>58</b>	<b>6</b>	<b>64</b>	<b>14</b>	<b>1</b>	<b>15</b>	<b>905</b>

## 4.0 North Amethyst Tieback Project

Activity on the North Amethyst project was limited in the fourth quarter of 2011 due to the fact that there was no drilling of development wells during the quarter. Person hours for the period totaled approximately 1,416 (Table 4.1) bringing the total to date to over 2.5 million. These hours represent onshore work related to planning for continued future development wells in North Amethyst.

**Table 4.1 North Amethyst Person Hour Summary (Husky and Major Contractors)  
Q4 2011**



**Person Hours By Contractor By Project**

**Period From:** 10/1/2011

**Period To:** 12/31/2011

Project: North Amethyst	
Name	Total
AKCS Offshore Partner	836
Cameron Canada	498
Fugro Jacques GeoSurveys Inc	82
<b>Total Person Hours:</b>	<b>1,416</b>

## 5.0 West White Rose Pilot Scheme

During Q4, drilling of the E18-11 water injection well continued. Completion of this well is planned for Q1 2012. A total of 204 people were employed on the project as of the end of December 2011. Person hours for the period totaled approximately 95,243.

**Table 5.1 West Pilot Scheme Employment Summary by Discipline Q4 2011**




Employment Summary by Discipline (Major Contractors):

West White Rose  
December(2011)

Occupation	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Administration & Clerical	0	7	7	0	0	0	1	0	1	8
Engineers	18	1	19	2	0	2	1	0	1	22
Management	20	9	29	3	0	3	4	4	8	40
Marine Crew	15	0	15	2	0	2	3	0	3	20
Other Field Services	49	2	51	0	0	0	0	0	0	51
Professionals	0	0	0	0	0	0	0	0	0	0
Skilled Trades	54	1	55	4	0	4	3	0	3	62
Technicians & Technolog	1	0	2	0	0	0	0	0	0	2
<b>TOTAL</b>	<b>158</b>	<b>19</b>	<b>177</b>	<b>11</b>	<b>0</b>	<b>11</b>	<b>12</b>	<b>4</b>	<b>16</b>	<b>204</b>

## 6.0 Procurement Summary (Contracts > \$250,000)

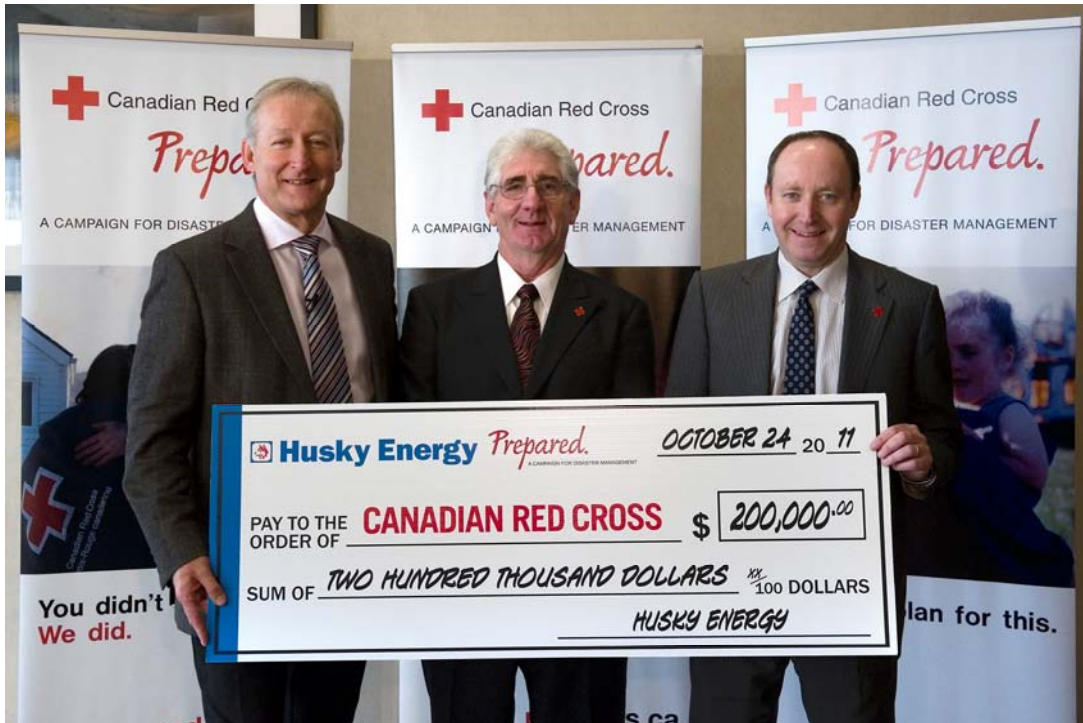
A total of 5 new contracts and 2 contract extensions greater than \$250,000 were awarded during the fourth quarter of 2011 (Table 8.1).

Husky East Coast Operations Procurement Summary		2011 Q4					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
<b>New Contracts</b>							
Marine Fuel	Irving Oil Limited	NL	N	18%	42%	40%	100%
Wellhead Running Tools and Technica	Vetco Gray Canada Inc.	NL	C	30%	0%	70%	100%
Directional Drilling MWD/LWD Equipment and Services	Schlumberger Canada Ltd.	NL	L	8%	66%	26%	100%
ROV Services	Oceaneering Canada Ltd.	NL	M	75%	0%	25%	100%
Intervention Support Services	Technip Canada Ltd.	NL	I				0%
							0%
<b>Contract Extensions</b>							
Fabric Maintenance Services*	Crosbie Salmis Ltd.	NL	E				0%
Inspection Services*	SNC-Lavalin Inc.	NL	D				0%
*Contract extensions to Sept 30, 2012; Bids in progress for longer term							
<b>Cost Range Code Legend</b>							
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 \$					

## **7.0 Exploration**

The Exploration spend for the fourth quarter of 2011 was approximately \$0.785 million, with a content breakdown of 88.00% Newfoundland & Labrador, 3.00% Other Canadian, and 9.00% Foreign. This activity is attributed to various subsurface studies and ongoing work in support of identifying future drilling targets.

## 8.0 Photographs



Donation to Canadian Red Cross – October 2011



Happy Tree Donations– December 2011





Husky Staff Volunteer at the Jimmy Pratt Centre – December 2011



Husky Energy's staff participates in Movember challenge – November 2011