



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
APRIL 1 – JUNE 30, 2012

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	West White Rose Pilot Scheme.....	5
6.0	Procurement Summary (Contracts > \$250,000).....	6
7.0	Exploration	7
8.0	Photographs	8

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending June 30, 2012, 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

- Overall Canada / Newfoundland content for Husky's operations which includes the White Rose Project, North Amethyst Project, West Pilot Scheme and Exploration was content breakdown of 58.66% Newfoundland & Labrador, 20.83% Other Canadian, and 20.51% Foreign.

3.0 White Rose Employment Summary

As of June 30, 2012, a total of 983 people were reported employed on Husky's White Rose Operations of which 442 were located offshore. This includes people employed with Husky and its contractors. Of this total 883 or 90% were residents of Newfoundland and Labrador when hired, while another 68 or 7% were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as of June 30, 2012. The number of females employed on White Rose operations was 181 or approximately 18% of the total workforce (Table 3.1).

Table 3.1 - Employment Summary by Location, as of June 30, 2012



Employment by Location for: **White Rose**
June(2012)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	384	9	393	37	0	37	12	0	12	442
St. John's	326	165	490	25	6	30	19	1	20	541
TOTAL	709	174	883	62	6	68	31	1	32	983

4.0 North Amethyst Tieback Project

Activity on the North Amethyst project was limited in the second quarter of 2012 due to the fact that there was no drilling of development wells during the quarter. Person hours for the period totaled approximately 410 (Table 4.1). These hours represent onshore work related to planning for continued future development wells in North Amethyst. There is no headcount for this period because the headcount is recorded at the end of the quarter and there was no activity recorded for North Amethyst in the month of June. The person hours identified for the quarter were recorded in April and May.

**Table 4.1 North Amethyst Person Hour Summary (Husky and Major Contractors)
Q2 2012**



Person Hours By Contractor By Project

Period From: 4/1/2012

Period To: 6/30/2012

Project: North Amethyst	
Name	Total
AKCS Offshore Partner	410
Total Person Hours:	410

5.0 West White Rose Pilot Scheme

Drilling and completion of the West Pilot Scheme water injection well was completed early in Q2. A total of 28 people were employed on the project as of the end of June 30, 2012 (Table 5.1).

Note that no offshore person hours are identified in Table 5.1. This is because the Pilot Scheme water injection well was completed in April 2012 and the headcount hours are posted for the last month of the quarter. In June there was no activity offshore related to the West White Rose Pilot Scheme.

Table 5.1 West Pilot Scheme Employment by Location Q2 2012




Employment by Location for: **West White Rose**
June(2012)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Dartmouth, NS	0	0	0	1	1	2	0	0	0	2
St. John's	5	8	13	0	1	1	11	1	12	26
TOTAL	5	8	13	1	2	3	11	1	12	28

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

Ten new contracts greater than \$250,000 was awarded during the second quarter of 2012 (Table 6.1). There were also 10 contract extensions issued.

Husky East Coast Operations Procurement Summary		2012 Q2						
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total	
New Contracts								
Supply Vessel Services (Brage Viking)	Viking Supply Ships 4ApS	Denmark	F			100%	100%	
R & D Bio-Indicator - Marine Life	Petroleum Research Newfoundland and Labrador	St. John's	C	100%			100%	
Supply Vessel Services (Jim Kilabuk)	Northern Transportation Company Limited	Edmonton	C	20%	80%		100%	
Supply Vessel Services (Trinity Sea)	Secunda Canada Limited	Halifax	B		100%		100%	
Supply Vessel Services Maersk Gabarus & Maersk Chignecto)	Maersk Supply Service Canada Ltd.	St. John's/ Copenhagen	F	71%	3%	26%	100%	
Provision of White Rose Area Glory Hole (SWRX)	Codralux S.A	Luxembourg	L	10%		90%	100%	
Provision of Pre-FEED and FEED Servi	ARUP Canada Inc.	Toronto, ON	K	68%		32%	100%	
EPCI of Flowlines, Risers, Umbilicals a	Technip	St. John's, NL	O	59%		41%	100%	
2012 Offshore Geotechnical Services	Can. Seabed Research Inc.	Porter's Lake, NS	F	55%	3%	42%	100%	
Sub-Bottom Acoustic Imaging	ParGeo Subsea Inc.	St. John's	A	100%			100%	
Contract Extensions								
Tug Services	Atlantic Towing Limited	New Brunswick	B		100%		100%	
Long Term Heavy Lift Storage	Pennecon Energy Marine Base	Bay Bulls	B	100%			100%	
Weather & Oceanographic	Oceans Limited	St. John's	B	100%			100%	
Supply Vessel Services (Atlantic Hawk & Atlantic Osprey)	Atlantic Towing Limited	New Brunswick	O	90%	6%	4%	100%	
Offshore technical support SeaRose Rudders	Becker Marine	Germany	A			100%	100%	
Oil and Gas Metering	SGS Canada	Newfoundland	F	100%			100%	
Leak Testing, Bolt Tensioning and Integrated Support Services	Baker Hughes (BJ Process)	Newfoundland	F	100%			100%	
Subsea Equipment Storage	SeaForce	Newfoundland	F	100%			100%	
Technical Support and Testing Equipment	IKM Testing	Newfoundland	F	100%			100%	
Environmental Consulting	Stantec	Newfoundland	C	100%			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 \$						

7.0 Exploration

The Exploration spend for the second quarter of 2012 was approximately \$2.5 million, with a content breakdown of 59.07% Newfoundland & Labrador, 40.90% Other Canadian, and 0.02% Foreign. This activity is attributed to various subsurface studies and ongoing work in support of identifying future drilling targets.

8.0 Photographs



Help the Hungry Campaign – June 2012



Janeway Telethon – June 2012



Husky Telephone Volunteers – Janeway Telethon – June, 2012



White Rose Extension Project Open House – St. John's – June 2012



White Rose Extension Project Open House – Placentia – June 2012



Techsploration – May 2012



Techsploration – May 2012