



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
OCTOBER 1 – DECEMBER 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	5
5.0	Procurement Summary (Contracts > \$250,000).....	6
6.0	Exploration.....	6
7.0	Photographs	7

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending December 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 55.8% NL and 20.8% Other Canadian.
- Total production from first oil up until December 31, 2009 is 137.3 million barrels
- Total employment for White Rose Operations was 1011 as of December 31, 2009.
- The North Amethyst Project was completed at the end of September and handed over to operations in the first week of October 2009.
- Husky held its 6th annual Diversity Workshop on November 18, 2009
- Husky purchased a 4D CT Simulator for the Bliss Murphy Cancer Centre in December 2009

3.0 White Rose Employment Summary

As of December 31, 2009, a total of 1011 people were employed on Husky's White Rose Operations. This includes people employed with Husky and its contractors. Of this total 915 or 90.5 % were residents of Newfoundland and Labrador when hired, while another 72 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, 2009.

Canada-Newfoundland and Labrador Benefits Report
For the Quarter Ending December 31, 2009

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



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

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Bull Arm	97	4	101	8	0	8	7	0	7	116
Offshore	367	16	383	45	0	45	4	0	4	432
St. John's	295	136	431	17	2	19	13	0	13	463
TOTAL	759	156	915	70	2	72	24	0	24	1,011

4.0 North Amethyst Tieback Project

The North Amethyst project was completed and turned over to operations in the first week of October and activities for the remainder of the year focused on closing out of some technical and commercial issues. A total of 211 people were employed on the project as of the end of December 2009. Person hours for the period totaled approximately 67,900 bringing the total to date to over 1,727,800. The original person hour estimate presented in the Benefits Plan was 1,660,000 hours. The total to date includes less than 100,000 hours for drilling and logistics. The overall drilling program for North Amethyst is estimated at 1,100,000 hours. Over \$117 million was expended on the North Amethyst project for the period October 1 to December 31, 2009 and \$770 million to date. Drilling of a production well commenced in December with the Henry Goodrich. The GSF will move to the North Amethyst field and resume drilling as soon as the maintenance and refit work is completed at Bull Arm near the end of January 2010. First oil is estimated in the first quarter of 2010.

Table 5.1 North Amethyst Employment By Location Q4 2009




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

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Norway	0	0	0	0	0	0	3	0	3	3
Offshore	103	1	104	13	0	13	13	0	13	130
St. John's	46	21	67	4	0	4	7	0	7	78
TOTAL	149	22	171	17	0	17	23	0	23	211

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

There was one contract greater than \$250,000 awarded during the fourth quarter of 2009.

Table 7.1 Procurement Summary – Q4 2009

Procurement Summary		2009 - Q4					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
Well Bore Cleanout Tools	Import Tool	St. John's	E	43%	57%	0%	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

Expenditures related to exploration for the fourth quarter of 2009 totalled over \$4.5 million. This was mostly related to the site survey and other preparation work for the Glenwood exploration well.

7.0 Photographs



**Marie White Speaking at the 6th Annual Husky Energy Diversity Forum
November 18, 2009**



**Round Table Discussions on Building the Diversity Pool
Husky Energy Diversity Forum November 18, 2009**



**Husky Employees Receive Oiled Wildlife Response Training
at the Joint Seabird Rehabilitation Centre in Dec 2009**



Husky Employees Donate to the VOCM Happy Tree



**Husky Donates a 4D CT Simulator to the Bliss Murphy Cancer Clinic
December 2009**