



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
JAN 1 – MARCH 31, 2010

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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 March 31, 2010, 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 52.8% NL and 20.8 % Other Canadian.
- A total of 4.8 million barrels of oil were produced during the period from Jan 1, 2009 to March 31, 2010 at an average production rate of around 53,000 bbls/ day
- Total production from first oil up until March 31, 2010 is approximately 141 million barrels
- Total employment for White Rose Operations was 1019 as of March 31, 2010.
- Drilling of the production wells on North Amethyst commenced in January 2010.
- Husky donated \$2.5 million to the Rooms for the Husky Energy Gallery

3.0 White Rose Employment Summary

As of March 31, 2010, a total of 1019 people were employed on Husky's White Rose Operations of which 540 were located offshore. This includes people employed with Husky and its contractors. Of this total 903 or 88.6 % were residents of Newfoundland and Labrador when hired, while another 84 or 8.2% 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, 2010. The number of females employed on White Rose operations was 155 or approximately 15% of the total workforce.

Table 3.1 - Employment Summary by Location, as of March 31, 2010



Employment by Location for: **White Rose**
March(2010)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	451	14	465	61	0	61	14	0	14	540
St. John's	299	139	438	21	2	23	18	0	18	479
TOTAL	750	153	903	82	2	84	32	0	32	1,019

4.0 North Amethyst Tieback Project

Although the North Amethyst was completed and turned over to operations in the first week of October there were still some activities taking place to close out some technical and commercial issues. As well, the Henry Goodrich and GSF Grand Banks commenced development drilling on the field early in 2010 completing the first production well. A total of 217 were employed on the project as of the end of March 2010. Person hours for the period totaled approximately 97,281 bringing the total to date to over 1.8 million.

Table 5.1 North Amethyst Employment Summary By Location Q1 2010




Employment by Location for: **North Amethyst**
March(2010)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Norway	2	0	2	0	0	0	0	0	0	2
Offshore	134	4	138	15	1	16	7	0	7	161
St. John's	30	18	49	0	0	0	5	0	5	54
TOTAL	167	22	189	15	1	16	12	0	12	217

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

There was one contract greater than \$250,000 awarded during the first Quarter of 2010.

Table 7.1 Procurement Summary – Q1 2010

Husky East Coast Operations Procurement Summary		2010 Q1					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
Supply of Transaqua Fluid	K & D Pratt	St. John's	C				0%
							0%
							0%
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 first quarter of 2010 totalled over \$23 million. This is mostly related to the Glenwood H-69 exploration well which was drilled by the Henry Goodrich. Other expenditures can be attributed to various subsurface studies and labour in support of the drilling program.

7.0 Photographs



John Lau and Local Dignitaries Visit the Husky Energy Easter Seal House



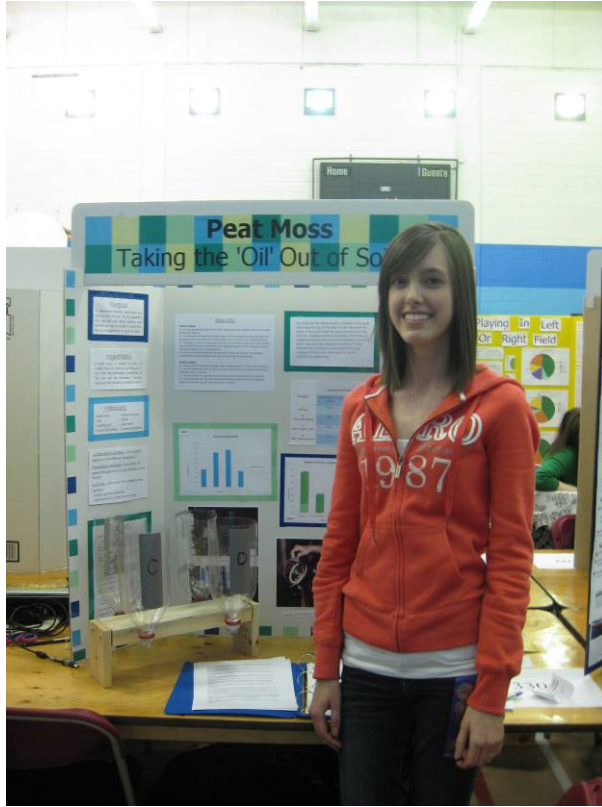
Husky Participates in Energy Day at the Geo Centre February 2010



Husky's New Look Exhibition Booth



John Lau Presents a Cheque for \$2.5 million to the Rooms for the Husky Energy Gallery - March 2010



Husky Provided Support for the Eastern Regional High School and Junior High Science Fair in March 2010