



File 9222-H109-001E
22 September 2006

Mr. Garry Bilous
Husky Oil Operations Limited
707 8th Avenue SW
Calgary, AB T2P 3G7
Fax 750-1994

Dear Mr. Bilous:

**Husky Oil Operations Limited - Airborne Gravity Survey
Summit-Redstone Area of the Sahtu Region, NWT
Operation Identifier No. 9222-H109-001E**

Please find attached a Geophysical Operation Authorization and the terms and conditions for the subject program. The program is authorized for an airborne gravity consisting of 11,330 km of grid lines in the Summit-Redstone area of the Sahtu Region, NWT. Please note that the Operation Identifier No. **9222-H109-001E** has been assigned to this operation and should be quoted on all future correspondence.

Husky Oil Operations Limited, as the operator, is responsible for conducting this operation in accordance with all legislation applicable to this application including the *Canada Labour Code, Part II* and the *Oil and Gas Occupational Safety and Health Regulations*. You are strongly encouraged to ensure all contractors are aware of the terms and conditions of the approval.

Please provide the NEB with **ample** notice of start-up so that an inspector may be dispatched to view operations. Take note that the inspector may wish to attend the start-up/safety meeting.

As well, several report forms and information pages are attached for your information and use.

This survey is classified as **exclusive** and the data will fall under the five year rule for data confidentiality. Husky Oil Operations Limited must file a complete report to the National Energy Board as outlined in the *Geophysical Operations Regulations* **one year** after program completion.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bharat C. Dixit'.

Bharat C. Dixit
Chief Conservation Officer

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

444, Septième Avenue S.-O.
Calgary (Alberta) T2P 0X8

The official logo of the Government of Canada, featuring the word 'Canada' in a stylized font with a maple leaf graphic.

Telephone/Téléphone : (403) 292-4800
Facsimile/Télécopieur : (403) 292-5503
<http://www.neb-one.gc.ca>
Telephone/Téléphone : 1-800-899-1265
Facsimile/Télécopieur : 1-877-288-8803



GEOPHYSICAL OPERATION AUTHORIZATION

Applicant: Husky Oil Operations Limited
Operating Licence No.: 1145 Land Use Permit / Water Licence No.: S06B-005
Geographical Area: _____
Grids or NTS Map Sheets: 95M, 95N, 96C
Interests Identifier: Exploration Licence 397, 423,441
Description of Operation: Airborne Gravity Survey

SPECIFICS OF OPERATION

For (if different)
Exclusive from applicant: _____ Non-Exclusive Participation Purchase /
Reprocessing
Proposed Commencement Date: 11/09/2006 Proposed Completion Date: 09/10/2006
No. of Personnel: 5 No. of Crews: 1
Data Acquisition Equipment: Helicopter - Eurocopter AS-350 B3 Estimated Kilometres: 11,360.00km
Vessel / Aircraft Names / Registration Numbers: C-GSGH
Energy Source: Select
Depth: m Charge Size: kg
Source Parameters: Detector Parameters: _____

OPERATIONAL CONTACT

Name: Garry Bilous, Manager Geophysical Operations Exploration
Address: 707 - 8 Avenue S.W. (Box 6525, Station D) Calgary, Alberta T2P 3G7
Telephone: (403)750-1421 Facsimile: (403)750-1994

ESTIMATED EXPENDITURES

	On-Interest	Off-Interest
Field Work:	\$1200000.00	\$
Data Processing:	\$50,000	\$
Interpretation / Laboratory:	\$	\$

CONTRACTORS

Data Acquisition: Sander Geophysics Ltd.
Data Processing: ELS Consulting
Data Interpretation / Laboratory Studies: _____

"I certify that I have complied with the notification, permitting and / or licencing requirements of all federal / territorial legislation that are applicable to this operation."

Signed:

Date: Aug 31/2006

Responsible Officer

Name:

Garry Bilous

Title:

Manager Geophysical Operations

Operator: Husky Oil Operations Limited

Telephone: (403)750-1421

NEB USE ONLY

This operation is authorized under Section 5.1(b) of the Canada Oil and Gas Operations Act (O-7) and is subject to the terms and conditions attached to this authorization.

Signed:

Date:

Sept 22/06

Chief Conservation Officer

Operation Identifier: 92224109-001E

Number of Attachments: _____

Encl: Geophysical Operations Authorization
Terms and Conditions
Canada Labour Code Part XVI Information on Reporting
Hazardous Occurrence Investigation Report Form
Weekly Progress Report Form
NEB Contacts Form
N.W.T. Spill Report Form

Terms and conditions of the approval are as stated below:

1. Unless otherwise directed by the Chief Conservation Officer, the operator shall implement or cause to be implemented all the policies, practices, mitigative measures, recommendations and procedures for operational safety and the protection of the environment included in or referred to in the operator's application and subsequent submissions.
2. The operator shall, within 30 days of the completion of the geophysical survey, file with the Chief Conservation Officer, a confirmation, by an officer of the company, that the approved Project was completed in compliance with all applicable conditions in the Geophysical Operation Authorization. If compliance with any of these conditions cannot be confirmed, the officer of the company shall file with the Chief Conservation Officer details as to why compliance cannot be confirmed.
3. The operator shall notify the NEB, by the most expedient communication means available, of any major incidents, accidents or any lost time occurrences. Telephone numbers are provided on the attached NEB contact list.
4. To promote additional safety and environmental protection, it is recommended that the spill response procedures and equipment needs be periodically reviewed and, where necessary, upgraded to ensure that these are adequate for the volumes of fuel or other materials to be stored or used.
5. Weekly status reports are to be emailed to dailyreports@neb-one.gc.ca or faxed to the attention of the Chief Conservation Officer (fax number (403) 292-5876) by Monday 8:30 am. Please contact Lori-Ann Sharp (telephone (403) 299-1994) should there be any difficulty in delivery of the weekly status reports.
6. Final reports are required **within twelve months** following termination of field work, the format and content of which are described in Part V of the *Canada Oil and Gas Geophysical Operations Regulations* (COGGOR). The report is to include:
 - Digital location data in UKOA, SEG-P1 or any flat ANSI format is to be submitted along with a reproducible, mylar or suitable digital image (tif format is preferred) and 2 pre-folded paper copies of all location maps at a suggested scale of 1:50,000.
 - A reproducible, mylar or suitable digital image (tif format is preferred), and a prefolded paper copy of the final Bouguer gravity map and a second order residual gravity map displayed with coloured contours are to be submitted with the final report at a suggested scale of 1:50 000.

CANADA LABOUR CODE

Oil and Gas Occupational Safety and Health Regulations

PART XVI

HAZARDOUS OCCURRENCE INVESTIGATION, RECORDING AND REPORTING

[SOR/94-165, s. 59(F)]

Interpretation

16.1 In this Part,

"disabling injury" means an employment injury or an occupational disease that

- (a) prevents an employee from reporting for work or from effectively performing all the duties connected with the employee's regular work on any day subsequent to the day on which the disabling injury occurred, whether or not that subsequent day is a working day for that employee,
- (b) results in the loss by an employee of a body member or part thereof or in the complete loss of the usefulness of a body member or part thereof, or
- (c) results in the permanent impairment of a body function of an employee;

"minor injury" means an employment injury or an occupational disease for which medical treatment is provided and excludes a disabling injury. (blessure légère) SOR/94-165, s. 60.

Report by Employee

16.2 Where an employee becomes aware of an accident or other occurrence arising in the course of or in connection with his work that has caused injury to him or to any other person, he shall without delay report the accident or other occurrence to his employer, orally or in writing.

Investigation

16.3 (1) Where an employer is aware of an accident, occupational disease or other hazardous occurrence affecting any of his employees in the course of employment, the employer shall, without delay,

- (a) take necessary measures to prevent a recurrence of the hazardous occurrence;
- (b) appoint a qualified person to carry out an investigation of the hazardous occurrence; and

(c) notify the safety and health committee or the safety and health representative, if either exists, of the hazardous occurrence and of the name of the person appointed to investigate it.

(2) In addition to the investigation referred to in paragraph (1)(b), where the hazardous occurrence referred to in subsection (1) is an accident involving a ship or aircraft or a motor vehicle on a public road, the employer shall investigate the accident by obtaining from the appropriate police or other investigating authority a copy of the report made by that authority in respect of the accident.

(3) As soon as possible after receipt of the report referred to in subsection (2), the employer shall provide a copy thereof to the safety and health committee or the safety and health representative, if either exists. SOR/94-165, s. 61.

Hazardous Occurrence Report

[SOR/94-165, s. 62(F)]

16.4 (1) The employer shall report, by the most rapid means of communication available to the employer, the date, time, location and nature of any accident, occupational disease or other hazardous occurrence referred to in section 16.3 to a safety officer and to the safety and health committee or the safety and health representative, if either exists, as soon as possible but not later than 24 hours after becoming aware of the occurrence, where the occurrence resulted in one of the following circumstances:

- (a) the death of an employee;
- (b) a missing person;
- (c) a disabling injury to an employee;
- (d) the implementation of emergency rescue, revival or evacuation procedures;
- (e) a fire or explosion that threatened the safety or health of an employee;
- (f) the free fall of an elevating device that rendered the elevating device unsafe for use by an employee;
- (g) an accidental accumulation, spill or leak of a hazardous substance; or
- (h) the loss of or damage to support craft.

(2) A written report of the accident, occupational disease or other hazardous occurrence referred to in subsection (1) shall be submitted by the employer within 14 days after the occurrence to

- (a) the regional safety officer at the regional office; and
- (b) the safety and health committee or the safety and health representative, if either exists.

(3) The report referred to in subsection (2) shall be in the form set out in Schedule I to this Part and contain the information required by the form. SOR/88-199, s. 19; SOR/94-165, s. 63.

16.5 Where an investigation referred to in subsection 16.3(2) discloses that the accident resulted in a circumstance referred to in subsection 16.4(1), the employer shall, within 14 days after the receipt of the report of the accident made by the police or other investigating authority, submit a copy of the report to the regional safety officer at the regional office.

Minor Injury Record

16.6 (1) Every employer shall keep a record of each minor injury of which he is aware that affected any of his employees in the course of employment.

(2) A record made pursuant to subsection (1) shall contain

- (a) the date, time and location of the occurrence that resulted in the minor injury;
- (b) the name of the injured or ill employee;
- (c) a brief description of the minor injury; and
- (d) the causes of the minor injury.

3. Employer name and mailing address / Nom et adresse postale de l'employeur

1. Type of Occurrence / Genre de situation	2. Department file no. / N° de dossier du ministère
<input type="checkbox"/> Explosion	<input type="checkbox"/> Loss of consciousness / Perte de conscience
<input type="checkbox"/> Disabling injury / Blessure invalidante	<input type="checkbox"/> Emergency procedure / Procédure d'urgence
<input type="checkbox"/> Other (specify) / Autre (préciser)	

Regional or district Office / Bureau régional ou de district

Employer ID no. / Numéro d'identification de l'employeur

Postal code / Code postal

Telephone number / Numéro de téléphone

Site of hazardous occurrence /
Lieu de la situation comportant des risques

Date and time of hazardous occurrence /
Date et heure de la situation comportant des risques

Weather / Conditions météorologiques

Witnesses / Témoin

Supervisor's name / Nom du surveillant

Operator / Exploitant

Identification of drilling rig, drilling unit, production facility or support craft /
Identification de l'appareil de forage, installation de forage, installation de production ou du véhicule de service

4. Description of what happened / Description des événements

Brief description and estimated cost of property damage /
Description sommaire et coût estimatif des dommages matériels

Operation in progress / Opération en cours

5. Injured employee's name (if applicable) / Nom de l'employé blessé (s'il y a lieu)

Age / Age

Sex / Sexe

Occupation / Profession

Years of experience in occupation /
Nombre d'années d'expérience dans la profession

Description of injury / Description de la blessure

Was training in accident prevention given to injured employee in relation to duties performed at the time of the hazardous occurrence? /
L'employé blessé a-t-il reçu une formation en prévention des accidents relativement aux fonctions qu'il exerçait au moment de la situation comportant des risques?

Yes No Specify
Oui Non Préciser

6. Direct causes of hazardous occurrence / Causes directes de la situation hasardeuse

7. Corrective measures and date employer will implement / Mesures correctives qui seront appliquées par l'employeur et date d'entrée en vigueur

Reasons for not taking corrective measures / Raisons pour lesquelles aucune mesure corrective n'a été prise

Supplementary preventative measures / Mesures supplémentaires de prévention

8. Name of person investigating / Nom de la personne menant l'enquête

Signature

Date

Title / Titre

Telephone number / Numéro de téléphone

9. Safety & Health committee's or representative's comments / Observations du comité de sécurité et de santé ou du représentant en matière de sécurité et de santé

Committee member's or representative's name / Nom du membre du comité ou du représentant

Signature

Date

Title / Titre

Telephone number / Numéro de téléphone

Lab / Trav 369 (O&G) (rev. 93/02)

COPIES TO: Safety Officer, Safety and Health Committee or Representative, Employer

COPIES A : l'agent de sécurité, le comité de sécurité et de santé ou le représentant en matière de sécurité et de santé, l'employeur

WEEKLY PROGRESS REPORT

PROGRAM NAME: _____ PERIOD _____ TO _____

APPROVALS			
NATIONAL ENERGY BOARD	INDIAN & NORTHERN AFFAIRS CANADA		SAHTU LAND & WATER BOARD
OPERATION ID#			
EXP. DATE			

COMPANY NAME: _____

SEISMIC CONTRACTOR: _____

AUTHORIZED PROGRAM PARAMETERS

ALTERATION OR MODIFICATION OF THE APPROVED PARAMETERS REQUIRES APPROVAL FROM APPROPRIATE REGULATORY AGENCY

TOTAL # OF 2D Km APPROVED		3D SIZE KM SQ APPROVED		SOURCE TYPE	
TOTAL # OF LINES 2D APPROVED		NUMBER 3D SOURCE LINES		CHARGE SIZE#/ VIBS	
RECEIVER WIDTH		3D SOURCE Km		SHOT HOLE DEPTH (m)	
SOURCE WIDTH		NUMBER 3D REC. LINES		CAP LEAD LENGTH (m)	
		3D RECEIVER Km		CAP LEAD LENGTH ABOVE GROUND (m)	

UNDETONATED CHARGES:

LOCATION: (NAD 27)

REASON:

INSPECTIONS: (INAC, NEB, ILA,DFO)

OPERATIONAL ISSUES:

SUMMARY OF INCIDENTS: (eg: fuel spills, vehicles breaking through ice)

GENERAL COMMENTS:

LAT. / LONG. STAGING AREAS

LAT. / LONG. CAMP LOCATIONS

DATE SUBMITTED TO: INAC _____
For Sahtu >> descenes@inac.gc.ca

NEB _____
dailyreports@neb-one.gc.ca

PARTY MANAGER:

FIELD PHONE# _____

FIELD FAX _____

FIELD E-MAIL _____

ACTIVITY DURING REPORTING PERIOD

TOTAL LINEAR KM TO RECORDED TO DATE (Since Start up)
TOTAL SQUARE KM TO RECORDED TO DATE (Since Start up)

* TO ADD ADDITIONAL COLUMNS AND ROWS, COPY CELLS FROM THIS PAGE TO CREATE AN ADDITIONAL PAGE WITH FORMATED CELLS.



NEB Contacts for COGO Act-regulated Work or Activities

INCIDENT PHONE NUMBERS

* Hazardous occurrences (under Part XVI of the *Canada Oil and Gas Occupational Safety and Health Regulations*) and incidents requiring medical evacuation are to be reported to the NEB immediately.

NEB 24-hour Incident Cell: (403) 807-9473
NWT/Nunavut Spill Line Phone: (867) 920-8130
NWT/Nunavut Spill Line Fax: (867) 873-6924
Transportation Safety Board Hotline: (819) 997-7887

NEB Operations Staff	Internet	Telephone Numbers
Rick Turner Operations Specialist Safety & Conservation Officer	rturner@neb-one.gc.ca	Work: (403) 299-3868 Cell: (403) 540-3754 Home: (403) 257-0840
Chris Knoechel Petroleum Engineering Specialist Safety & Conservation Officer	cknoechel@neb-one.gc.ca	Work: (403) 299-3866 Cell: Home: (403) 241-0047
Environment and Spill Reporting	Internet	Telephone Numbers
John Korec Environmental Specialist Conservation Officer	jkorec@neb-one.gc.ca	Work: (403) 292-6614 Cell: (403) 818-2403 Home: (403) 275-6256
Anne-Marie Buchwald Environmental Specialist	abuchwald@neb-one.gc.ca	Work: (403) 292-4931 Cell: Home: (403) 366-9899
Pam Romanchuk Environmental Specialist	promanchuk@neb-one.gc.ca	Work: (403) 299-3906 Cell: Home: (403) 253-3128
Laura Van Ham Environmental Specialist Conservation Officer	lvvanham@neb-one.gc.ca	Work: (403) 299-1996 Cell: Home: (403) 208-0267
Chief Conservation & Safety Officers	Internet	Telephone Numbers
Bharat Dixit Exploration and Production, Team Leader Chief Conservation Officer	bdixit@neb-one.gc.ca	Work: (403) 299-2792 Cell: (403) 617-3887 Home: (403) 239-1093
Alan Murray Professional Leader, Engineering Chief Safety Officer	amurray@neb-one.gc.ca	Work: (403) 299-3903 Cell: (403) 815-6661 Home: (403) 282-5637
NEB OPERATIONS PHONE NUMBERS	Main Office: Operations Fax: Alternate Fax:	(403) 292-4800 (403) 292-5876 (403) 292-5875

N.W.T. SPILL REPORT (Oil, Gas, Hazardous Chemicals or other Materials)

National Energy Board

Phone (403) 807-9473

Fax (403) 292-5876 or 292-5875

24-Hour Report Line

Phone (867) 920-8130

Fax (867) 873-6924

A Report date and time	B Date and time of spill (if known)	C Original Report Update Report
D Location and map coordinates (if known) and direction (if moving)		
E Party responsible for spill		
F Product(s) spilled and estimated quantities (provide metric volumes/weights if possible)		
G Cause of spill		
H Is Spill terminated? yes no	I If spill is continuing, give estimated rate	J Is further spillage possible? yes no
L Factors affecting spill recovery (weathering conditions, terrain, snow cover, etc.)		M Containment (natural depression, dykes, etc.)
N Action, if any, taken or proposed to contain, recover, clean up or dispose of product(s) and contaminated materials		
O Do you require assistance? no yes, describe:	P Possible hazards to persons, property, or environment	
Q Comments and/or recommendations		FOR SPILL LINE USE ONLY <hr/> Lead Agency <hr/> Spill significance <hr/> Lead Agency contact and time <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Reported by	Position, Employer, Location	
Reported to	Position, Employer, Location	