



File: OA-1204-002
WID# 2076 & 2077

22 December 2011

Mr. Kim Richardson
Drilling Superintendent
Husky Oil Operations Limited
707 – 8th Avenue S.W.
Box 6525, Station D
Calgary, AB T2P 3G7

Dear Mr. Richardson:

Operations Authorization (OA) and Approval to Drill a Well (ADW) Applications for Husky Little Bear N-09 and Husky Little Bear H-64 Well

Thank you for the submission of the Husky OA and ADW applications and subsequent filings. Please find attached approved OA and ADW for the proposed activity. Please note that the terms and conditions for the OA are provided in Attachment No. 1. The ADW terms and conditions are provided in Attachment No. 2 and are also subject to the OA terms and conditions. Any change or deviation from the approved program will require the additional specific approval of the Chief Conservation Officer.

Please notify National Energy Board (NEB) no less than 24 hours prior to the commencement of the well operations.

Please be reminded that all oil and gas activities are to meet the requirements of the *Canada Oil and Gas Drilling and Production Regulations*, the *Oil and Gas Occupational Safety and Health Regulations* and *Canada Labour Code, Part II*.

Please ensure the NEB 24/7 incident cell number 403-807-9473 is listed as the number to call in the event of an incident and the NWT-Nunavut 24-hour Spill Report Line number 867-920-8130 is listed as the number to call in the event of a reportable spill.

If you have any questions, please contact Abul Kabir at 403-292-5048.

Yours truly,

A handwritten signature in blue ink, appearing to read "John McCarthy".

John McCarthy
Chief Conservation Officer
Attachments (2)

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

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

Canada

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

Attachment No. 1
Husky Oil Operations Limited (Husky)
Operations Authorization Terms and Conditions for
OA-1204-002

1. Husky shall cause the approved Project to be constructed and operated in accordance with the specifications, standards and other information referred to in its application and subsequent submissions.
2. Unless otherwise directed by the Chief Conservation Officer, Husky shall implement or cause to be implemented all of the policies, practices, mitigative measures, recommendations and procedures for the protection of the environment included in or referred to in the operator's application, subsequent submissions and committed to by Husky during the environmental assessment process under the Mackenzie Valley Resource Management Act.
3. Husky shall submit an updated environmental protection plan ten (10) working days prior to the start of any operations requiring well approval where there have been any changes to the elements as defined in subsections 9(a) to 9(k) of the *Canada Oil and Gas Drilling and Production Regulations*.
4. Husky shall submit an updated safety plan ten (10) working days prior to the start of any operations requiring a well approval where there have been any changes to the elements as defined in subsections 8(a) to 8(h) of the *Canada Oil and Gas Drilling and Production Regulations*.
5. Husky shall request approval from the Chief Conservation Officer of any proposed changes or deviations to the authorized program, work or activities.

Attachment No. 2
Husky Oil Operations Limited (Husky)
Approval to Drill a Well Terms and Conditions for
Husky Little Bear N-9 and Husky Little Bear H-64

1. Daily geological reports (including descriptions, strip logs and gas detection readings) and drilling reports are to be emailed to dailyreports@neb-one.gc.ca or faxed daily by 8:30 am to the attention of the Chief Conservation Officer (fax number 403-292-5876). Please contact Lori Ann Sharp at 403-299-1994 should there be any difficulty in delivery of the daily drilling reports.
2. A copy of the *Canada Oil and Gas Drilling and Production Regulations* as well as the *Oil and Gas Occupational Safety and Health Regulations* are to be kept at the well site and available on request by any person at the well site (Section 17 of the *Canada Oil and Gas Drilling and Production Regulations* and paragraph 125(1)(e) of the *Canada Labour Code*, Part II, respectively).
3. Husky shall inform the Board of any key personnel and field personnel updates to the contact list as they become available or are changed.
4. Well completion, suspension or abandonment operations are required to meet the requirements of the *Canada Oil and Gas Drilling and Production Regulations*. Upon program termination, a “Well Termination Record” is to be submitted within 30 days after the end of the well operation.
5. If the wells are to be suspended, Husky shall ensure the wells are monitored and inspected annually to maintain its continued integrity and to prevent pollution.
6. Please submit two paper copies and one electronic (on CD/DVD, in PDF format) of all the data for the “Well History Report” within 90 days from rig release. In addition, please submit one LAS copy of final log prints on compact disc. Please ensure compact discs are maximized and submitted with the Well History Report.
7. Please include a quantitative report on potable water zones for the N-9 and H-64 well locations with the Well History Report.
8. The Well History Report must include a final well survey signed by a Canada Land Surveyor.
9. NEB drill cutting requirements are as follows: 1 set unwashed, 1 kg of cuttings (8 by 11 inch bag), 2 sets clean washed vial sets. All samples and core are to be delivered to the Geological Survey of Canada in Calgary at 3303 33rd Street NW, to the attention of the Head – Core and Sample Repository. A copy of the sample transmittal letters are to be forwarded to the Chief Conservation Officer at the National Energy Board.



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 Technical Specialist Safety & Conservation Officer	rick.turner@neb-one.gc.ca	Work: 403-299-3868 Cell: 403-540-3754
Lori Croal Operations Inspector Safety Officer	lori.croal@neb-one.gc.ca	Work: 403-221-3290 Cell: 403-519-9889
Karen Duckworth Operations Specialist Safety & Conservation Officer	karen.duckworth@neb-one.gc.ca	Work: 403-299-3669 Cell: 403-710-8254
Abul Kabir Drilling Engineer Conservation Officer	abul.kabir@neb-one.gc.ca	Work: 403-292-5048 Cell: 403-510-5754
Saadat Javeed Drilling Engineer Conservation Officer	saadat.javeed@neb-one.gc.ca	Work: 403-221-3033 Cell: 403-680-5861
Environment and Spill Reporting	Internet	Telephone Numbers
Susan Measor A/Team Leader Conservation of Resources	susan.measor@neb-one.gc.ca	Work: 403-221-3272 Cell: 403-614-3396
John Korec Environmental Specialist Conservation Officer	john.korec@neb-one.gc.ca	Work: 403-292-6614 Cell: 403-818-2403
Christy Wickenheiser Environmental Specialist Conservation Officer	christy.wickenheiser@neb-one.gc.ca	Work: 403-299-3869 Cell: 403-809-9352
Chief Conservation & Safety Officers	Internet	Telephone Numbers
John McCarthy Business Leader, Strategy and Analysis Chief Conservation Officer	john.mccarthy@neb-one.gc.ca	Work: 403-299-3646 Cell: 403-560-9443
Brian Nesbitt Technical Leader, Engineering Chief Safety Officer	brian.nesbitt@neb-one.gc.ca	Work: 403-299-2771 Cell: 403-629-6362
NEB OPERATIONS PHONE NUMBERS	Main Office: Operations Fax: Alternate Fax:	403-292-4800 403-292-5876 403-292-5875

OCT 27 2011

National Energy
BoardOffice national
de l'énergie

OPERATIONS AUTHORIZATION

APPLICATION

HUSKY OIL OPERATIONS LTD

(Name of Operator)

Hereby applies for authorization of a proposed:

Drilling Program Production Program Installation/Removal Program Other
Please Specify:

under paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* (R.S.C., 1985, c. O-7) and Part 2 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315) using equipment and procedures described in the application.

Changes in equipment or procedures, outside the scope of this application, require the approval of the Board in order that this authorization remains valid. An approved copy of this notice is to be posted at each work site and is subject to the terms and conditions attached to this authorization.

Licence No.	Select EL462 and EL463	NEB Operating Licence No.	1204
Region	NWT Mainland		
Field	SLATER RIVER		
Anticipated date of commencement	DECEMBER 2011	Proposed Duration	4 months
Scope of Work	Construction of winter access road, campsite and 2 well sites locations Drilling and evaluation (core and log) of 2 ^F explosion wells, Little Bear N-9 and Little Bear H-64 in Slater River area of NWT		

"I certify that the information provided on this form is true and correct"

Name	Brad Allison	Telephone	(403) 750-1515 Ext
Job Designation	Vice President Exploration	E-Mail	brad.allison@huskyenergy.com
Signature		Date	Oct 24, 2011
Responsible Officer of Company			

NATIONAL ENERGY BOARD AUTHORIZATION
(Board Use Only)

The operator named above is hereby authorized under paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* (R.S.C., 1985, c. O-7) and is subject to the terms and conditions attached to this authorization.

Chief Conservation Officer

Job Designation

Signature

Date

22 Dec 2011

Operation Authorization (OA) No.

OA-1204-002

Expiry Date

31 December 2012

APPROVAL TO DRILL A WELL

APPLICATION

This application is submitted under Section 10 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315). When granted under Section 13 of the Regulations, this form is the requisite approval for the commencement of well operations. An approved copy of this notice is to be posted at each drill site.

Well Name	Little Bear H-64			
Well Type	Exploratory Well			
NEB Operating Licence No.	1204			
Drilling Rig or Unit	Nabors 23			
Licence No.	Exploration Licence 462			
Station Keeping	Not Applicable			
Land Use Permit No.	Issued by: Sahtu Land and Water Board			
Water Licence No.	Issued by: Sahtu Land and Water Board			
Location	Unit	H	Section 64	
Coordinates (NAD 27)		Surface	Lat 64 ° 53 ' 28.5 "	Grid 126 ° 11 ' 20.3 "
		Bottom Hole	Lat 64 ° 53 ' 28.5 "	Long 126 ° 11 ' 20.3 "
Region	NWT Mainland			
Target Formation	Canol / Hume			
Well Path	Vertical			
Elevation KB/RT	183.5 m			
Approximate Spud Date	20 February 2012			
Anticipated Total Depth	1142 m TD			
Operator	Husky Oil Operations Limited			
If Other Type, please specify				
Operations Authorization No.				
Contractor				
Estimated Well Cost	\$18,800,000			
Land Structure	Conventional Land			

EVALUATION PROGRAM

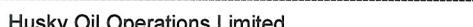
Sample Type	Top to Bottom Interval (m KB)	Sample Interval (m)	Comments
Drill Cuttings	surface-1412	5.0	NEB: 2 vial sets and 1 bag set 500g minimum.
Drill Cuttings	Surface-819	5.0	GSC Bagged samples to base of Cretaceous (819m TVD)
Conventional Cores	1220-1370	Other	Cut core in Lower Canol, Hare Indian and Bluefish formation
Logs and Tests	650-1412	Other	CNL-LDT-GR, Sonic,Array Induction&GR /CNL across surface csg
Logs and Tests	1150-1412	Other	ECS, Sonic Scanner, NMR

CASING PROGRAM

O.D. (mm)	Weight (kg/m)	Grade	Setting Depth (m KB)
508	Conductor Pipe	ASTM A 53	+/-30
244.5	53.6	J-55	630
177.8	34.2	L-80	1412

Additional Information

"I certify that the information provided on this form is true and correct"

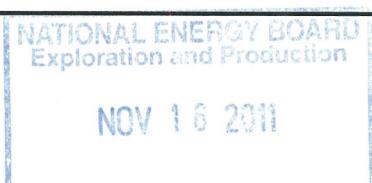
Name	Kim Richardson	Telephone	(403)-298-7273
Job Designation	Drilling Superintendent	E-Mail	kim.richardson@huskyenergy.com
Operator	Husky Oil Operations Limited		
Signature		Date	15 November, 2011
Responsible Officer of Company			

NATIONAL ENERGY BOARD APPROVAL

(Board Use Only)

This well approval is granted under section 13 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315) and is subject to the terms and conditions attached to this approval and Operations Authorization No. OA-1204-002.

Job Designation	Chief Conservation Officer	Well Identifier	2071	Unique Well Identifier	300H64500126000
Signature	 J. M. W. T. NEB Authority	Date	22 Dec 2014		





APPROVAL TO DRILL A WELL

APPLICATION

This application is submitted under Section 10 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315). When granted under Section 13 of the Regulations, this form is the requisite approval for the commencement of well operations. An approved copy of this notice is to be posted at each drill site.

Well Name	Little Bear N-9			Operator	Husky Oil Operations Limited	
Well Type	Exploratory Well			If Other Type, please specify		
NEB Operating Licence No.	1204			Operations Authorization No.		
Drilling Rig or Unit	Nabors 23			Contractor		
Licence No.	Exploration Licence 463			Estimated Well Cost	\$20,200,000	
Station Keeping	Not Applicable			Land Structure	Conventional Land	
Land Use Permit No.				Issued by:	Sahtu Land and Water Board	
Water Licence No.				Issued by:	Sahtu Land and Water Board	
Location	Unit	N	Section	9		
Coordinates (NAD 27)			Surface	Lat	64 ° 58 ' 55.2 "	Grid
			Bottom Hole	Lat	64 ° 58 ' 55.2 "	Long
					126 ° 31 ' 20.2 "	Long
					126 ° 31 ' 20.2 "	
Region	NWT Mainland					
Target Formation	Canol / Hume			Field/Pool	Slater River /	
Well Path	Vertical			Discovery Well		
Elevation KB/RT	258 m			Ground Level / Seafloor	253 m	
Approximate Spud Date	20 January 2012			Est. Days on Location	25 days	
Anticipated Total Depth	1770 m KB					

EVALUATION PROGRAM

Sample Type	Top to Bottom Interval (m KB)	Sample Interval (m)	Comments
Drill Cuttings	surface-1770	5.0	NEB: 2 vial sets and 1 bag set 500g minimum.
Drill Cuttings	Surface-1190	5.0	GSC Bagged samples to base of Cretaceous (1190m TVD)
Conventional Cores	1580-1720	Other	Cut core in Lower Canol, Hare Indian and Bluefish formation
Logs and Tests	650-1770	Other	CNL-LDT-GR, Sonic, Array Induction&GR /CNL across surface csg
Logs and Tests	1550-1770	Other	ECS, Sonic Scanner, NMR

CASING PROGRAM

O.D. (mm)	Weight (kg/m)	Grade	Setting Depth (m KB)
508	Conductor Pipe	ASTM A 53	+/-30
244.5	53.6	J-55	650
177.8	34.2	L-80	1770

Additional Information

"I certify that the information provided on this form is true and correct"

Name	Kim Richardson	Telephone	(403) 298-7273
Job Designation	Drilling Superintendent	E-Mail	kim.richardson@huskyenergy.com
Operator	Husky Oil Operations Limited		
Signature	<u>Kim Richardson</u>	Date	15 November, 2011
Responsible Officer of Company			

NATIONAL ENERGY BOARD APPROVAL

(Board Use Only)

This well approval is granted under section 13 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315) and is subject to the terms and conditions attached to this approval and Operations Authorization No. OA-1204-002.

Job Designation	Chief Conservation Officer	Well Identifier	Unique Well Identifier
		2076	300 N096500126300
Signature	<u>J. M. Koty</u>	Date	22 Dec 2011
NEB Authority			