



September 15, 2006

Distribution:

**Re: Husky Energy Drill Centre Construction & Operations Program
Environmental Assessment Report**

Husky Energy submitted to the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) an environmental assessment report for a proposed drill centre construction and operation program in the Jeanne d'Arc Basin area of the Northeast Grand Banks (the Project).

The Project will include the construction, installation, operation, maintenance, modification, decommissioning and abandonment of up to four drill centres, and associated subsea facilities (to be connected to the White Rose FPSO), including drilling and workover of development wells, VSP programs, wellsite/geohazard surveys, subsea flow lines and any related seabed trenching, excavation, covering and/or spoil deposition. Construction and sub-sea installation activities are scheduled to begin in the summer of 2007, with the construction of the first glory hole. Construction of additional glory holes, sub-sea installation and drilling activities will commence in the fall 2007 and will continue through 2011.

The C-NLOPB determined that the Project would require an authorization pursuant to Section 138(1)(a) of the *Canada-Newfoundland Atlantic Accord Implementation Act* and Section 134(1)(a) of the *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act*. Environment Canada has determined that a disposal at sea permit is required pursuant to the *Canadian Environmental Protection Act*, and Fisheries and Oceans has determined that an authorization is required pursuant to Section 35(2) of the *Fisheries Act*. The project is listed on the inclusion list, and is therefore subject to a screening level of assessment. The C-NLOPB will be acting as the Federal Environmental Assessment Coordinator for this screening process.

Please review the enclosed environmental assessment report and forward comments no later than **October 27, 2006**. If you have any questions on the attached, I may be reached at 709-778-1431 or via email at <kcoady@cnlopb.nl.ca>

Yours truly,

Original Signed by K. Coady

Kim Coady
Environmental Assessment Officer

Attachments

cc D. Burley
D. McDonald (CEA Agency)

DISTRIBUTION:

Federal Agencies	
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