

## 1.0 Introduction

Husky Oil Operations Limited (Husky) is proposing the development of up to four new drill centres. The new drill centres would be located in three areas adjacent to the Northern, Central and Southern Drill Centres (NDC, CDC, and SDC) currently active in the White Rose Field (Figures 1.1 and 1.2) which is located on the Grand Banks offshore Newfoundland approximately 350 km east-southeast of St. John's.

The most southerly of the areas proposed for a drill centre has been designated South White Rose Extension (SWRX) (Figures 1.1 and 1.2). The area adjacent (1.3 to 3 km northwest) to the current Central drill centre and designated as West White Rose Extension (WWRX) could potentially support up to two new drill centres. The most northerly area located one to three km northeast of the current Northern drill centre has been designated North White Rose Extension (NWR). NWRX, like SWRX, would support one new drill centre.

Current planning calls for the SWRX drill centre to be constructed in the summer of 2007. The viability of any or all of the other proposed new drill centres is contingent on successful delineation drilling results during the next three to five years.

The Project will require authorizations pursuant to Section 138 (1) (b) 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. Subject to Section 5 (1) (d) of the Canadian Environmental Assessment Act (CEA Act), the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB, also referred to as "the Board") is a responsible authority (RA) and federal environmental assessment coordinator (FEAC) and must undertake a screening level environmental assessment (EA) of the Project. Also required are habitat alteration, disruption or destruction (HADD) authorization(s) and ocean disposal permit(s) from Fisheries and Oceans and Environment Canada, respectively.

Legislation that is relevant to the environmental aspects of this Project include

- *Canada-Newfoundland Atlantic Accord Implementation Acts*
- *Canadian Environmental Assessment Act*
- *Oceans Act*
- *Fisheries Act*
- *Navigable Waters Protection Act*
- *Canada Shipping Act*
- *Species at Risk Act*
- *Migratory Birds Convention Act*
- *Canadian Environmental Protection Act*

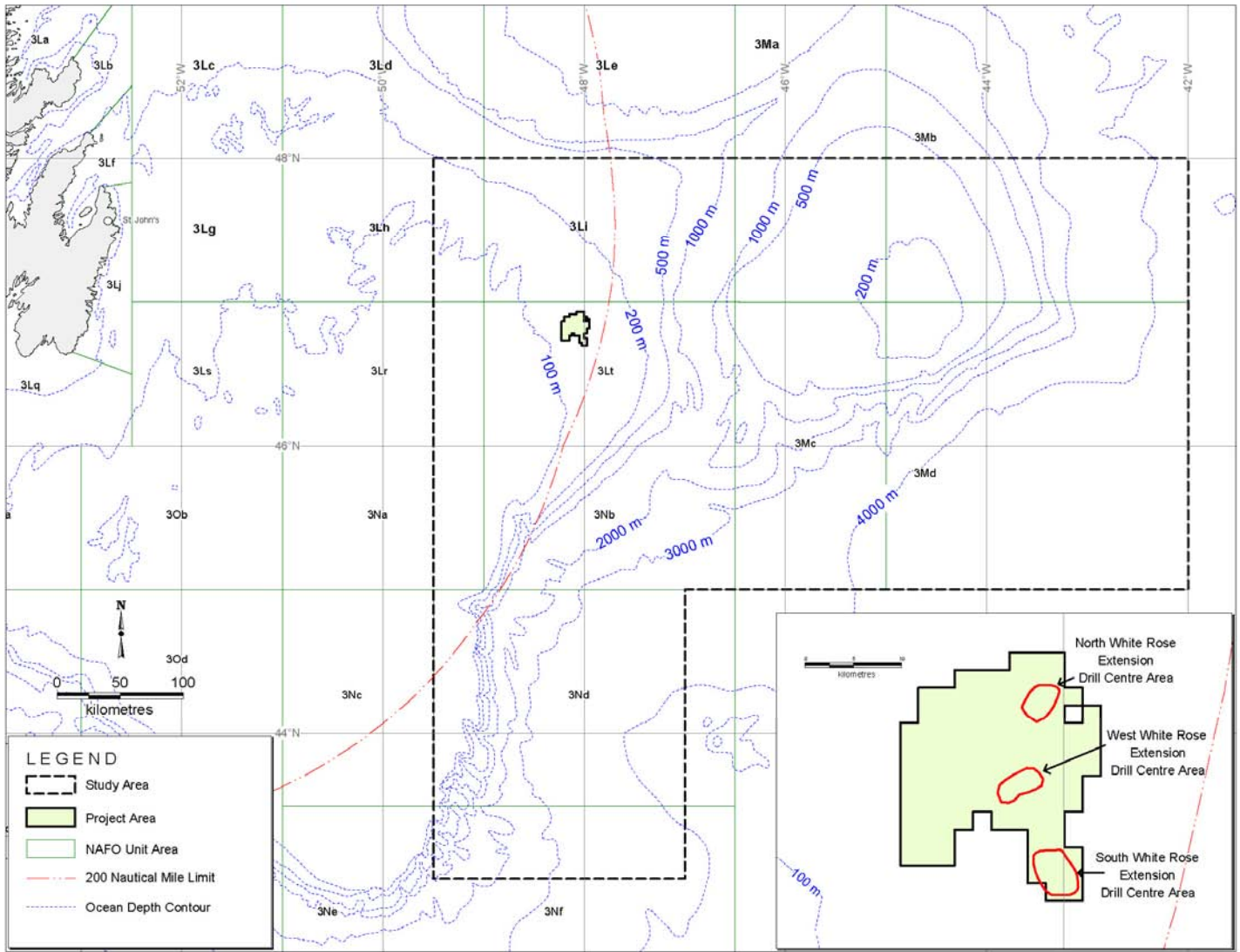
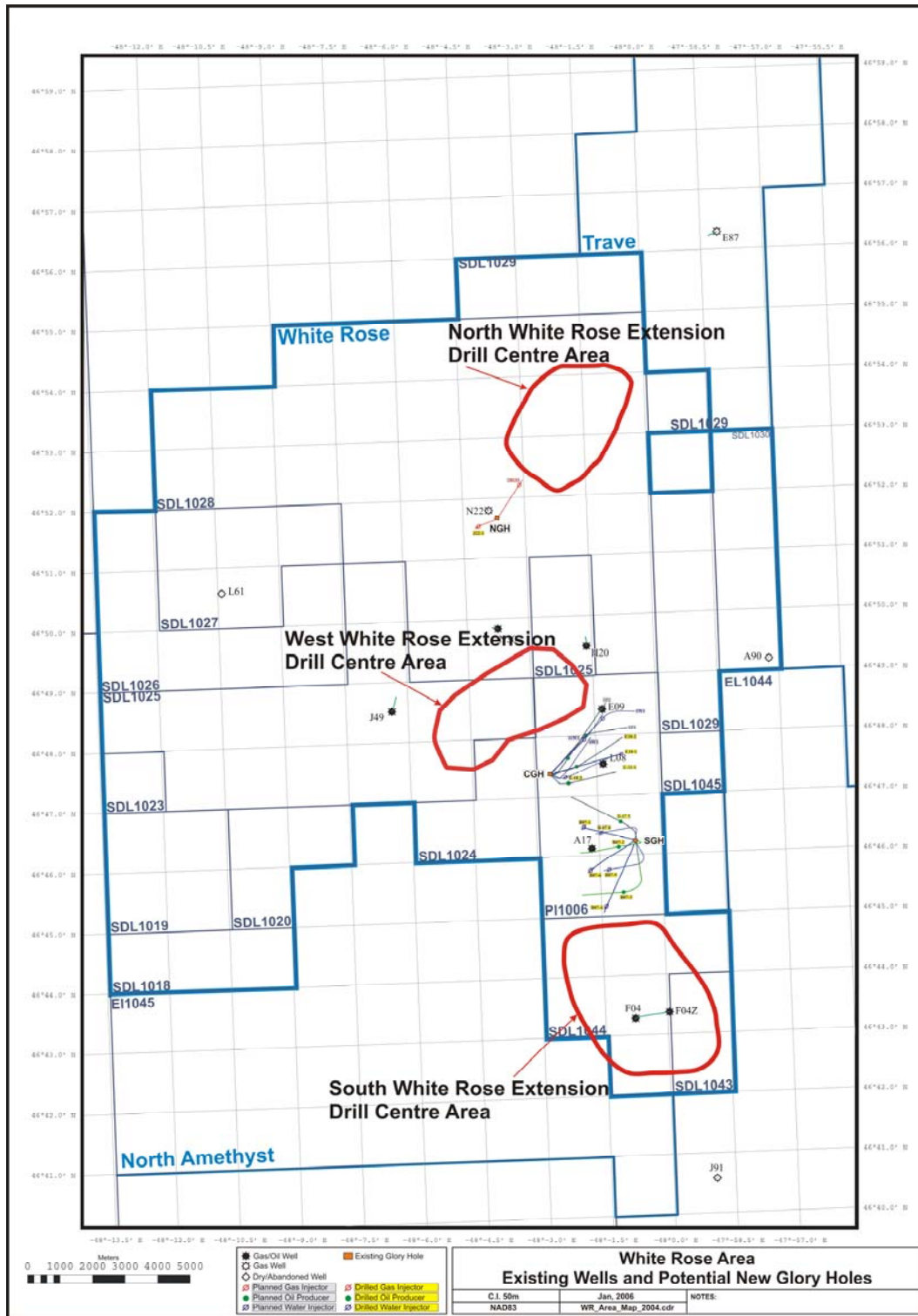


Figure 1.1. Locations of the Project Area, the Study Area and the Three Proposed Drill Centre Areas.



**Figure 1.2. General Locations of Proposed Drill Centres (Existing Glory Hole Designations: NGH - Northern Glory Hole, CGH - Central Glory Hole, SGH - Southern Glory Hole).**

There is no federal funding for this Project. Federal lands are involved and they are administered by the C-NLOPB, a federal-provincial agency operating under the Canada-Newfoundland & Labrador Atlantic Accord acts.

Scoping and technical advice received from the C-NLOPB, other federal agencies, and stakeholders consulted by Husky will guide the preparation of this assessment. The Project Description is an accurate reflection of the Proponent's current level of knowledge.