



May 25, 2006

Mr. Don Williams
HSEQ Manager
Husky Energy
Suite 901, Scotia Centre
235 Water Street
St. John's, NL A1C 1B6

Dear Mr. Williams:

Re: Husky Energy – Jeanne d’Arc Basin 2006 3D Seismic Environmental Assessment Update

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has reviewed the environmental assessment information regarding proposed 3D seismic and geohazard surveys on acreage held by Husky Energy, and have completed our environmental assessment determination respecting the project. A copy of our determination is enclosed for your information.

The March 2006 “*Jeanne d’Arc Basin 3D Seismic Program, Environmental Assessment Update, 2006-2010*” (LGL 2006) and supporting information describe the project and provides an acceptable assessment of the potential environmental effects of the project for the 2006 program year and for any seismic or wellsite surveys conducted up to 2010. We have considered this information and the advice of the Boards’ advisory agencies and have determined, in accordance with Section 20(1)(a) of the *Canadian Environmental Assessment Act* (CEA Act) that the proposed project, following the application of mitigation measures, is not likely to cause significant adverse environmental effects.

Husky Energy has committed to providing a transit route map to determine the route from Wildrose to Fortune with minimal fishery interference (email correspondence from D. Taylor to K. Coady, May 17, 2006). This map should be provided to the undersigned at least 1 week prior to commencing 3D seismic survey activities.

The following conditions are recommended to be appended to the authorizations granted by the Canada-Newfoundland and Labrador Offshore Petroleum Board for the proposed wellsite/geohazard survey program and seismic programs as described in the environmental assessment report referenced above:

- *Husky Energy shall implement, or cause to be implemented, all the policies, practices, recommendations and procedures for the protection of the environment included in or referred to in the “Jeanne d’Arc Basin 3D Seismic Program, Environmental Assessment Update, 2006-2010” (March 2006) and in email correspondence – D. Taylor to K. Coady (May 17, 2006; Approach to transit of 3D seismic vessel from the Wild Rose survey area to the Fortune area)*

- *Husky Energy shall implement or cause to be implemented the mitigation measures outlined in Appendix 2 of the Geophysical, Geological, Environmental and Geotechnical Program Guidelines (C-NLOPB 2004) respecting 3D seismic programs and wellsite surveys.*
- *The “safety zone” defined for marine mammal protection is designated to be 500 m*
- *Monitoring for marine mammals and sea turtles shall be consistent with the approach outlined in the Geophysical, Geological, Environmental and Geotechnical Program Guidelines (C-NLOPB 2004), and includes monitoring during ramp-up and at all times when the airgun(s) are active.*
- *During ramp-up, and when the airgun array is active, airgun(s) shall be shut down, if a marine mammal or sea turtle, listed as **Endangered** or **Threatened** (as per Schedule 1 of SARA), including the North Atlantic right whale, Blue whale, and leatherback turtle, is observed within 500 m of the airgun array,*
- *During line changes, the seismic airgun array shall be reduced to a single airgun and the airgun shall remain active during the line change. If for any reason, the airgun is shut down for a period greater than 30 minutes, then ramp-up procedures shall be implemented as per the Geophysical, Geological, Environmental and Geotechnical Program Guidelines.*

At the time of application for additional seismic or wellsite/geohazard surveys to be undertaken beyond 2006, and at least 60 days prior to the start of program activities, Husky Energy shall provide confirmation to the C-NLOPB that the proposed activities fall within the scope of the 2006 environmental assessment report ((LGL 2006), and indicate if the EA predictions remain valid. Information shall also be provided that describes the adaptive management measures to be implemented respecting amendments to the *Species at Risk Act* (e.g., addition of new species, recovery strategies and additional mitigation measures arising from recovery strategies). If there are any changes in the project scope or new information is available, which may alter the environmental assessment conclusions, then a revised EA will be required.

Enclosed are comments from the federal and provincial fisheries and environmental review agencies and Board staff from the review of the environmental assessment report. These comments should be addressed and submitted along with the information requirements outlined above.

If you have any questions on the attached, or wish to discuss the environmental assessment review process, I may be reached at 709-778-1431 or via email at kcoady@cnlopb.nf.ca

Yours truly,

Kim Coady
Environmental Assessment Officer

Enclosures

cc D. Burley