

February 12, 2010

Alan Brown Vice President I&O - East Coast Canada Suncor Energy Inc.

Vice President, East Coast Operations Husky Energy

Mark McLeod Atlantic Canada Manager Chevron Canada

Frank Roberts HSE Manager ConocoPhillips Company

Paul McCloskey

Paul Sacuta President Hibernia Management & Development Co. Ltd.

Gentlemen:

Re: First Response Search and Rescue Service

On February 8, 2010, we received letters from Commissioner Robert Wells of the Offshore Helicopter Safety Inquiry (copies attached). He advised us of matters which had come to his attention during public hearings which, in his view, needed to be brought to the immediate attention of the Board, consistent with the provisions of the Terms of Reference for the Inquiry.

In particular, he advised us in respect of two matters. Firstly, he noted the discrepancy between first response SAR in other jurisdictions and in the Newfoundland and Labrador Offshore Area, noting that the present response from St. John's does not meet the highest standards. Secondly, he advised of his belief that the acceptability of night flying should be revisited and possibly restricted to emergencies only until a first response rescue helicopter is in service equipped with auto-hover and the forward-looking infrared device.

The Board views these matters very seriously and that was the reason we took the opportunity to advise you of the Commissioner's concerns on February 10, 2010 in a meeting at our office. The Board met to consider these matters on February 11, 2010 and determine an appropriate response. We advise you herein of our views and directions.

The Commissioner noted and the Board has confirmed that a "one hour wheels up" response for First Response SAR provided by industry should be improved; effective SAR skills must be available in a response situation as quickly as possible. We believe this can only be achieved by having a fully equipped SAR helicopter on standby at St. John's at any time when flights for workers are being undertaken. The effective "wheels up" time for such a SAR helicopter must be 15-20 minutes, consistent with practices in other offshore oil and gas jurisdictions. At times when worker transportation by helicopter is not being undertaken a "wheels up" time of 45 minutes is acceptable. We agree with the Commissioner that the full-time dedicated and fully equipped response helicopter must be equipped with technology to locate and retrieve personnel from the water in all low visibility circumstances (auto-hover and forward-looking infrared radar) as soon as practicable. We expect you collectively or individually to advise us as soon as possible how you will effect this service, certainly advising us not later than February 19, 2010, of your plans for earliest implementation.

In revisiting the acceptability of night flying, the Board recognizes that effective first response SAR cannot be delivered in conditions of impaired visibility until the dedicated and fully equipped SAR helicopter described above is available. That being the case, effective February 14, 2010, except for emergency circumstances, helicopter transportation to the offshore facilities will not be permitted to start or finish between dusk and dawn (or in any low visibility conditions where rescue cannot be effected without auto-hover) until such time as the First Response SAR provided by industry is properly equipped to effect personnel retrieval from the water in these conditions.

We look forward to your response in respect of the implementation of the measures described herein, and we believe that this response should include appropriate amendments to your safety plans submitted for Board approval.

Sincerely,

Max Ruelokke, P. Eng.

Chairman & CEO