



Husky Oil Operations Limited

707 8th Avenue S.W.
Box 6525, Station D
Calgary, Alberta, Canada
T2P 3G7

July 9, 2018

Sahtu Land & Water Board

Box 1
Fort Good Hope, NT
X0E 0H0

SLWB WL S13L1-005

Attention: Sabrina Sturman, Regulatory Specialist

Dear Sabrina:

Re: Request for Renewal of Water Licence S13L1-005 (Slater River Drilling Program)

Husky Oil Operations Limited (Husky) is aware that Water Licence (WL) S13L1-005 will be expiring on July 18, 2018. At this time we are requesting a renewal the WL with a revised expiry date of July 18, 2020 (please see attached Water Licence renewal application form).

This WL is applicable to Husky's oil and gas exploration activities associated with four leases on the Slater River project:

- Little Bear O-41 and Little Bear G-70 (both permitted but were never drilled)
- Little Bear N-09 and Little Bear H-64 (both currently suspended)

The Little Bear N-09 and Little Bear H-64 wells were originally licenced under WL S11L1-003. In order to allow for improved efficiency and overall reporting to the Sahtu Land and Water Board (SLWB), Husky consolidated WL S11L1-003 into the new WL S13L1-005 in 2013. This WL authorization has been focused on operation activities but is now in the decommissioning and reclamation phase. Husky will be carrying out suspension and abandonment activities necessary to keep its N-09 and H-64 wells in compliance with the Well Suspension and Abandonment Guidelines and Interpretation Notes issued by the Government of Northwest Territories Office of the Regulator of Oil and Gas Operations (OROGO). The well abandonment phase of the project is anticipated to begin in February 2019 and the decommissioning procedure is expected to require 30 days to complete. Husky is currently working on, and will submit to the Sahtu Land and Water Board, the associated documents including Project Description, Stakeholder Engagement, Spill Contingency Plan, Waste Management Plan, Closure and Reclamation Plan.

Please note that surface and groundwater monitoring requirements for Husky's Slater River project operations within Exploration Licence EL 494 (consolidated from EL462 and EL463) were authorized under Land Use Permit S12X-006.

As outlined in the engagement record attached as Schedule A to Husky's request for a 2-year extension of the associated Land Use Permit S13A-002, Husky has informed affected Indigenous communities, Land Corporations, Renewable Resource Councils and regulators in the Sahtu Region of its intention to request a renewal of the WL. No concerns have been raised to Husky regarding the request for a renewal of the WL. Given that this renewal request will not require any new water use or modifications to approved works, Husky humbly requests that this WL renewal request be exempt from Preliminary Screening.



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I trust this letter is sufficient for the Land and Water Board to grant a renewal of the WL. If you require additional information or, if you have any questions, please contact the undersigned at 403-523-2313 or by email at (jenica.vonkuster@huskyenergy.com).

Sincerely,

Husky Oil Operations Limited

Jenica von Kuster
Environmental & Regulatory Specialist – NWT

Attachment