



January 27, 2021

NWT Office of the Regulator of Oil and Gas Operations
P.O. Box 1320
Yellowknife, NT
XIA 2L9

Via Email – Orogo@gov.nt.ca

RE: Husky Little Bear N-09 and H-64 Wells – 2020 Annual Safety Report (OA-2018-002)

As required under Section 87 of the Oil and Gas Drilling and Production Regulations, Husky submits the attached Annual Safety Report for the Husky Little Bear N-09 and H-64 wells covering the 2020 operations period.

This information may be of interest to Janpeter Lennie-Misgeld.

Should you have any questions associated with this report, please contact Laurie Henderson at 403-298-6343 or at laurie.henderson@huskyenergy.com

Yours truly,

HUSKY OIL OPERATIONS LIMITED

A handwritten signature in black ink, appearing to read "LH" followed by a stylized flourish.

Laurie Henderson
NWT Project Manager

cc:
Dan Simard – Husky



Husky Oil Operations Limited
Slater River Annual Safety Report, Little Bear H-64 & N-09
January 1 – December 31, 2020

File: ACW-2018-003-HUS-H-64-WID2077 &
ACW-2018-002-HUS-N-09-WID2076

EL 494 – Pending SDL
Tulita District, Sahtu Settlement Area, Northwest Territories

Submitted to:
Office of the Regulator of Oil & Gas Operations (OROGO)
January 2021

Executive Summary

Scope of Work:

Due to the COVID-19 pandemic and out of an abundance of caution, Husky Oil Operations Limited (Husky) did not enter the NWT to conduct any well operations during 2020. Confirmatory gas migration tests (GMTs) required for the two existing hydrocarbon exploration wells (H-64 and N-09), were deferred and Husky is hopeful that these GMTs will be completed in 2021. Wellsite integrity was confirmed in the summer of 2020 via remote inspections using a local helicopter company.

This annual safety report is to confirm no well operations were conducted in 2020 and no safety incidents were incurred during that time on the below listed wells .

- **ACW-2018-003-HUS-H-64-WID2077**
- **ACW-2018-002-HUS-N-09-WID2076**

A map of the Slater River Key Assets and the subject wells is attached for reference.

Incident Summary:

No safety incidents were experienced associated with the associated wells or the Slater River Assets in 2020.

Husky continues to work diligently with all service providers as well as internal staff to ensure mitigation of risk to the workers and the environment.

Summary:

Going forward, Husky will continue to strive to improve the safety culture at our worksites and reduce the risk of incidents occurring in our operations. Husky Oil Operations Limited is fully committed to ensure all activities are conducted in a manner consistent with Husky Oil Operations Limited's HSE policy.

Husky is also committed to Husky's Operational integrity Management System (HOIMS) and adapting into a High Reliability Organization (HRO). These are two of the guiding principles that aid in conducting safe work and improving safe operations. A summary of Husky's HRO is listed below for reference.

Husky Operational Integrity Management System

HOIMS is used to enhance the Company's approach to managing health, safety and environmental performance. HOIMS integrates both occupational and process safety in one comprehensive management system. HOIMS contains 15 elements that guide employees in effectively managing the risks associated with Husky's business. While all 15 elements are important, the key elements pertinent to the incidents and near misses associated with Slater River are listed below:

- **HOIMS Element 2 – Training and Competency:** Personnel are trained and competent to perform their role responsibilities.
- **HOIMS Element 7 – Emergency Management:** Husky is prepared to manage an emergency, business interruption or security event.
- **HOIMS Element 8 – Incident Reporting, Recording, Investigation and Learning:** Report, investigate and learn from Husky incidents and other external high impact incidents to prevent recurrence
- **HOIMS Element 9 – Safe Control of Work:** Formal processes are in place to allow work to be completed safely. Work includes upstream, midstream and downstream operations, wells, logistics, maintenance, inspection, construction and decommissioning activities.

- **HOIMS Element 11 –Regulatory Compliance:** Protect Husky’s privilege to operate through verifying compliance with legal and regulatory, environmental and social governance requirements.
- **HOIMS Element 15 – Assurance, Performance and Improvement:** Performance meets HSE and operational integrity goals and objectives, and continuously improves.

High Reliability Organization

The five HRO principles Husky has adopted are listed below. They are based on the culture of the U.S. Nuclear Navy and align with academic research that shows HROs share these defining characteristics.

1. **Knowledge & Learning**—We understand and apply our knowledge to the situation. We learn from our performance and strive to be a learning organization.
2. **Standards & Procedure Compliance**—We follow our standards and procedures.
3. **Questioning Attitude**—We know the expected standards in our role at Husky. We ask questions and speak up to make sure we understand.
4. **Team Backup**—We support each other and intervene as needed for the good of the team.
5. **Integrity**—We hold ourselves and our team accountable for our performance. As an organization, we do what we say we are going to do, which sometimes means making difficult and unpopular decisions.

The key difference between HROs and other organizations is the level of attention they pay to managing the health of process safety barriers. Barriers can be physical, such as a fire or water pump, or human, like a procedure or evacuation plan. It's important to remember that principles alone are not enough to create an HRO. HROs apply these principles through their employees and contractors who model associated behaviours in all their work.

Map of Key Slater River Assets Relative to EL 494

