

Chief Safety Officer Decision (Regulatory Exemption)

Date: April 20, 2010

Applicant: Husky Oil Operations Ltd.

Applicant reference: RQF-WR-148

Installation name: Sea Rose FPSO

Authority: *Canada-Newfoundland Atlantic Accord Implementation Act*
section 151 (1)(b);
Canada-Newfoundland and Labrador Atlantic Accord
Implementation Newfoundland and Labrador Act section 146
(1)(b)

Regulation: Subsection 22(1) and 22(2) of the Newfoundland Offshore
Petroleum Installations Regulations

Decision:

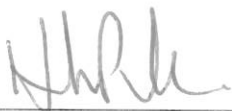
The Chief Safety Officer grants the applicant, the operator for the Sea Rose FPSO, a temporary exemption from the requirements for (a) 200% lifeboat capacity and (b) positioning half of the survival crafts to each side of the installation, until such time a permanent solution is implemented in any event no later than June 30, 2011.

The Chief Safety Officer is satisfied that the operator has demonstrated sufficient capacity and arrangements based on credible hazard scenarios to grant this temporary exemption. In addition, the operator has demonstrated adequate distribution and redundancy of lifeboats and liferafts to account for the nature and location of initiating hazards and vulnerability to impairment of evacuation systems. The Chief Safety Officer is satisfied with the level of safety for workers under the modified provisions.

This approval is subject to reassessment should additional information become available.

The application has been approved subject to the following provisions:

1. Husky to provide a plan and completion date for permanent solution for approval of the Chief Safety Officer no later than May 28, 2010.
2. Husky to conduct drills with all offshore personnel for evacuation scenarios including the use of the forward lifeboat as an option.
3. Husky to provide quarterly progress updates to the C-NLOPB.



Chief Safety Officer