Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act (File # NR-61-2016)

This is to confirm that on October 31, 2016, the Department of Natural Resources received your request for access to the following records/information:

All records, excluding emails, from this year that relate to the Flemish Pass basin.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to some of the requested information. Access to the remaining information contained within the records, has been refused in accordance with the following exceptions to disclosure, as specified in the Access to Information and Protection of Privacy Act (the Act):

29 Policy advice or recommendations
(1) The head of a public body may refuse to disclose to an applicant information that would reveal
   (a) advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister

35 Disclosure harmful to the financial or economic interests of a public body
(1) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose
   (d) information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party

P.O. Box 8700, St. John’s, NL, Canada A1B 4J6 t 709.729-1466
(f) positions, plans, procedures, criteria or instructions developed for the purpose of contractual or other negotiations by or on behalf of the government of the province or a public body, or considerations which relate to those negotiations

(g) information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the government of the province or a public body

39 Disclosure harmful to business interests of a third party

(1) The head of a public body shall refuse to disclose to an applicant information that would reveal

(ii) commercial, financial, labour relations, scientific or technical information of a third party

(b) that is supplied, implicitly or explicitly, in confidence; and

(c) the disclosure of which could reasonably be expected to

(i) harm significantly the competitive position or interfere significantly with the negotiating position of the third party

(ii) result in similar information no longer being supplied to the public body when it is in the public interest that similar information continue to be supplied

(iii) result in undue financial loss or gain to any person

(2) The head of a public body shall refuse to disclose to an applicant...royalty information submitted on royalty returns, except where that information is non-identifying aggregate royalty information.

Some information was also withheld under sections 115(2) and 115(3) of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act. It should be noted as well that some information was found to be non-responsive to the request and, therefore, was not disclosed.

As required by 8(2) of the Act, we have severed information that is unable to be disclosed and have provided you with as much information as possible; in accordance with your request for a copy of the records, the records have been included with this correspondence.

Right to Request Review/File Appeal

As set out in section 42 of the Act you may ask the Information and Privacy Commissioner to review the department’s decision to provide partial access to the requested information. A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your request should identify your concerns with the department’s response and why you are requesting a review.
The request for review may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P.O. Box 13004, Stn. A
St. John’s, NL A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

Pursuant to section 52 of the Act, you may also appeal directly to the Supreme Court Trial Division within 15 business days after receiving the department’s decision.

If you have any further questions, please feel free to contact me by telephone at 729-3214 or by e-mail at andreamarshall@gov.nl.ca. Alternatively, please contact Rod Hynes, the department’s primary access to information coordinator at 729-0463 or rhynes@gov.nl.ca.

Sincerely,

Andrea Marshall
ATIPP Coordinator
Information Note
Department of Natural Resources

Title: Statoil Fitzroya A-12Z Exploration Well.

Issue: Preliminary Results of the Statoil Fitzroya A-12Z Exploration Well.

Background and Current Status:

- The Fitzroya A-12Z well was drilled on Exploration License (EL) 1126 in the Flemish pass basin, in 742 m of water depth. This EL is located approximately 445 km north east of St. John's and approximately 26 km NW of Bay du Nord. A map of the area is included in Attachment 1.

- Statoil spud the Fitzroya A-12 well on November 24, 2015 using the semi-submersible, West Hercules on contract from Seadrill Ltd. Statoil Canada Ltd. (Operator) 40%, Chevron Canada Limited 40%, BG International Ltd. 10%, and BP Canada Energy Group ULS 10% are the working interest owners.

NOTE: Information used in this information note has been submitted to the Canada-Newfoundland and Labrador Offshore Petroleum Board by the Operator on a confidential basis and, pursuant to section 119 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Act, is privileged and must not knowingly be disclosed.

Analysis:


Action Being Taken:

- Department staff will liaise with C-NLOPB officials as further updates become available.

Prepared/approved by: J. Agbawuru, K. Hynes, W. Foote / T. English

March 10, 2016
Attachment 1
Map showing location of Fitzroya A-12Z
Meeting Note
Department of Natural Resources
Husky Energy
March 21, 2016
9:30 am
Premier's Boardroom

Attendees:  
Husky Energy  
Rob Peabody, Chief Operating Officer  
Sharon Murphy, Senior Vice President, Corporate Affairs  
Richard Pratt, VP Developments, Atlantic Region

NL:  
Premier Dwight Ball  
Minister Siobhan Coady

Purpose of Meeting:

Background:

- Husky Energy is a Canadian energy company headquartered in Calgary. Husky operates in Western and Eastern Canada along with international interests including in the US, China, Indonesia and Greenland.

- Husky Energy has a significant presence in the NL offshore with interest in three producing fields: Terra Nova (13%); White Rose (72.5%); White Rose Expansion (68.875%) as well as interests in 6 Exploration Licences and 44 Significant Discovery Licences. Statoil (65%) and Husky Energy (35%) are the interest holders in the Flemish Pass Bay du Nord project. Attachment 2 includes information on Husky’s NL interests and royalty payments.

- An overview of the royalties paid by Husky is included in Attachment 2. A summary of Husky’s financial results are included in Attachment 3.

Note: pages 4-6 have been redacted in full as all content is non-responsive to the request.
Attachment 2 – Husky Energy NL Offshore Interests and Royalty Payments

Husky Energy Land Holdings and Working Interests in NL:

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Working Interest</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova PL1002, PL1003 &amp; PL1004</td>
<td>13.0%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
</tr>
<tr>
<td>White Rose PL1006, PL1007 &amp; PL1010</td>
<td>72.5%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
</tr>
<tr>
<td>White Rose Expansion Various Licences</td>
<td>68.875%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
</tr>
<tr>
<td>Flemish Pass Basin Discoveries Mizzen (SDLs 1047 &amp; 1048), Bay du Nord (EL 1112), Harpoon (ELs 1112 &amp; 1124)</td>
<td>35.0%</td>
<td>Grand Banks Region (Flemish Pass Basin)</td>
</tr>
<tr>
<td>Various interests in several other ELs and SDLs</td>
<td></td>
<td>Grand Banks Region and Labrador Offshore Region</td>
</tr>
</tbody>
</table>

1. PL represents production licence, SDL represents significant discovery licence and EL represents exploration licence.

NL Cumulative Royalties¹ Paid from Projects with Husky Energy interest:
(CONFIDENTIAL, NOT FOR REDISTRIBUTION)

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to Dec 31, 2015)</th>
<th>Husky Energy (to Dec 31, 2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,613 million</td>
<td></td>
</tr>
<tr>
<td>White Rose (from Dec 2005)</td>
<td>$3,034 million</td>
<td></td>
</tr>
<tr>
<td>North Amethyst (from May 2010)</td>
<td>$271 million</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$8,918 million</td>
<td></td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.

S. 39(2)
Attachment 3 – Husky Energy Q4 Financial & Operational Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue†</td>
<td>Million C$</td>
<td>$3,903</td>
<td>$5,875</td>
<td>$16,801</td>
</tr>
<tr>
<td>Net Earnings/Income</td>
<td>Million C$</td>
<td>($69)</td>
<td>($603)</td>
<td>($3,850)</td>
</tr>
<tr>
<td>Earnings per Share‡</td>
<td>C$</td>
<td>($0.08)</td>
<td>($0.62)</td>
<td>($3.95)</td>
</tr>
<tr>
<td>Cash flow from Operations</td>
<td>Million C$</td>
<td>$640</td>
<td>$1,145</td>
<td>$3,329</td>
</tr>
<tr>
<td>Total Assets†</td>
<td>Million C$</td>
<td>$33,056</td>
<td>$38,848</td>
<td></td>
</tr>
<tr>
<td>Total Liabilities‡</td>
<td>Million C$</td>
<td>$16,470</td>
<td>$18,273</td>
<td>Same as</td>
</tr>
<tr>
<td>Total Shareholders’ Equity§</td>
<td>Million C$</td>
<td>$16,586</td>
<td>$20,575</td>
<td>Q4</td>
</tr>
<tr>
<td>Total Capital Expenditures§</td>
<td>Million C$</td>
<td>$641</td>
<td>$1,419</td>
<td>$3,005</td>
</tr>
<tr>
<td>Atlantic Region Exploration</td>
<td>Million C$</td>
<td>$14</td>
<td>$62</td>
<td>$169</td>
</tr>
<tr>
<td>Atlantic Region Development</td>
<td>Million C$</td>
<td>$24</td>
<td>$205</td>
<td>$379</td>
</tr>
<tr>
<td>Netback Analysis-Atlantic Region</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price received</td>
<td>C$/boe</td>
<td>$54.12</td>
<td>$77.49</td>
<td>$65.89</td>
</tr>
<tr>
<td>Royalties</td>
<td>C$/boe</td>
<td>$5.26</td>
<td>$6.17</td>
<td>$7.43</td>
</tr>
<tr>
<td>Operating costs§</td>
<td>C$/boe</td>
<td>$15.31</td>
<td>$13.55</td>
<td>$16.76</td>
</tr>
<tr>
<td>Transportation</td>
<td>C$/boe</td>
<td>$2.19</td>
<td>$2.27</td>
<td>$2.58</td>
</tr>
<tr>
<td>Operating netback</td>
<td>C$/boe</td>
<td>$31.36</td>
<td>$55.50</td>
<td>$39.12</td>
</tr>
</tbody>
</table>

Operations

Upstream Production: thousand boe/day
- 357.0
- 359.6
- 345.7
- 340.1

White Rose and Satellite Field: thousand boe/day
- n/a
- 35.2
- 32.1
- 38.6

Terra Nova: thousand boe/day
- n/a
- 8.2
- 4.7
- 6.0

Refinery & Upgrader Throughput: thousand boe/day
- n/a
- 343.6
- 308.4
- 318.0

1. Represents gross revenue
2. Represents basic earnings per share
3. As at the end of each quarter
4. Excludes capitalized costs related to asset retirement obligations and capitalized incurred during the period
5. Operating costs exclude accretion, which is included in administration expenses and other.
6. Numbers may not sum due to rounding.
7. n/a represents data not available or applicable

NL Discussion:

- In its Q4 report, Husky noted average net production was about 43,500 bbls/day in 2015. Two production wells at the South White Rose extension contributed about 15,000 bbls/day in net combined production in Q4 2015.

- In the Flemish Pass Basin, Husky’s exploration and appraisal program continued at the Bay du Nord discovery area. Husky drilled and completed two production wells at the South White Rose Extension during 2015 with peak production from the wells of 15,000 bbls/day net to Husky reached in early September.

- Husky secured the Henry Goodrich drilling rig for a two-year drilling program which will focus on development drilling at the White Rose field and satellite extensions. The rig is expected to arrive in mid-2016 and will be utilized for further development drilling at the South White Rose extension and the completion of North Amethyst's Hibernia formation production well.

- During 2015, $548 million (24% of total investments) was invested in the Atlantic Region, compared to $746 million (18% of total investments) in 2014, primarily on the development of the White Rose extension projects, including North Amethyst, West White Rose and South White Rose extension satellite fields and on further exploration and appraisal of the Bay du Nord discovery in the Flemish Pass Basin.

- Exploration spending in the Atlantic region was $14 million in Q4 2015 compared to $62 million in Q4 2014. Total 2015 Atlantic exploration spending was $169 million compared to 2014 spending of $96 million.
• Husky has budgeted $275 to $325 million in the Atlantic Region spending for 2016, primarily for the continued development of the main White Rose field and extensions and the Bay du Nord appraisal drilling program in the Flemish Pass Basin.

• A 28-day turnaround is planned in Q2 2016 at the Terra Nova FPSO, with an anticipated net impact of about 1,300 boe/day averaged over the quarter. A 20 day turnaround is planned on the SeaRose FPSO vessel in Q3 2016, with net impacts expected to average approximately 8,000 boe/day over the quarter. Husky highlighted that the SeaRose FPSO performed strongly with a 97% uptime in 2015.

• Husky highlighted the Flemish Pass discoveries Bay du Nord, Mizzen and Harpoon and noted that a delineation program is ongoing.

• During the December 8, 2015 conference call, Husky was asked by the CBC regarding the West White Rose structure and when a decision will be made. Husky responded that they are continuing to analyze the alternatives and refining the costs and will announce a decision when they are ready to do so.

Financial/Operations Discussion:

• Husky reported a net loss of $69 million in Q4 2015 due to a lower oil price environment, a wider heavy oil differential, a $72 million oss in U.S. Refining and a $14 million write-down of inventory.

• Husky posted a full year 2015 net loss of $3,850 million compared to net earnings of $1,258 million in 2014, primarily attributable to lower average realized crude oil and natural gas prices.

• Production decreased by 2.6 mboe/day during Q4 2015 compared to Q4 2014 from lower crude oil and natural gas production in Western Canada. This was partially offset new production from the South White Rose and other fields worldwide.

• Capital expenditures for Q4 2015 were $641 million compared to $1,419 million in Q4 2014. Total 2015 capital expenditures were $3,005 million compared to $5,023 million in 2014, a decrease of about 40%.

• Exploration and Production capital expenditures were lower in 2015 and reflected the Company’s prudent capital management in a low commodity price environment. Other significant factors which impacted capital expenditures in 2015 include, but are not limited to, the completion of the Sunrise Energy Project and completion of the Liwan Gas Project.

• Capital Expenditures for 2016 are expected to be in the range of $2.1 to 2.3 billion, consistent with the revised Husky’s capital and production guidance release on January 20, 2016. Previously, Husky had a capital expenditure range of $2.9-3.1 billion on December 8, 2015.

Note: pages 10-11 have been redacted in full as all content is non-responsive to the request.
Information Note
Department of Natural Resources

Title: Oil and Gas Commercialization Study in the NL Frontier Offshore Areas

Issue: Nalcor plans on issuing a Request for Proposals (RFP) to conduct an oil and gas commercialization study to be made public in August 2016.

Background and Current Status:
- In December 2013, the C-NLOPB announced the implementation of a new Scheduled Land Tenure System to improve transparency and predictability of the licencing of lands. This included providing additional time for exploration companies to conduct geoscientific assessments of the hydrocarbon prospectivity in the lesser explored basins of the Newfoundland and Labrador offshore area.

- In conjunction with the improvements to the regime, the Province, through Nalcor, has invested in a regional 2-D multi-client seismic acquisition program since 2011 that to date has collected approximately 110,000 line kilometers of high quality broadband data. In addition, the first 3-D multi-client survey in the NL offshore area occurred in 2015 acquiring some 10,000 square kilometers of seismic data. All of this data is available to the global oil and gas industry on a licencing basis.

- An independent resource assessment was performed on the parcels on offer in the first Call for Bids in the Scheduled Land Tenure system in 2015, and publically released in October 2015 prior to the closing of the licence round. The resource assessment carried out by global leading firm Beicip Franlab, was based on new geoscience data covering the eleven parcels on offer in the Flemish Pass Basin. The assessment concluded that the "in place" oil and gas resource potential was 12 billion barrels of oil and 113 trillion cubic feet of gas for the 2015 license round area.

- Subsequently, 7 of the 11 parcels on offer received successful bids with work expenditure bids totally $1.2 billion. In 2014, ExxonMobil and co-venture partners bid $559 million for a parcel in the Flemish Pass Basin which is the largest bid for a single parcel in the province's Calls for Bids history.

- The second Call for Bids in the scheduled system and located in the Orphan Basin area of the Eastern Newfoundland region is scheduled to close in November 2016.

Analysis:
- Subsequent to the November 2015 closing of the Call for Bids NL15-01 EN, both DNR and Nalcor received very positive feedback from industry regarding the geology and prospectivity of the region.

S. 29(1)(a), S. 35(1)(f)
Action Being Taken:

- Work has already commenced towards completing an independent resource assessment on the parcels in the 2016 Call for Bids to be made public in the August 2016 timeframe. Similar to the 2015 licence area, the 2016 Call for Bids sector is highly prospective.

- Work has commenced at Nalcor to prepare a RFP to conduct an Oil and Gas Commercialization Study in the NL Frontier Offshore Area to be released publicly prior to the close of the licence round.

Prepared/Approved by: W. Foote /P. Carter /T. English

Ministerial Approval: March 17, 2016
Decision/Direction Note
Department of Natural Resources

Title: American Association of Petroleum Geologists (AAPG) Annual Convention & Exhibition (ACE), June 19-22, 2016, Calgary, AB.

Decision/Direction Required:

- Whether to approve Departmental staff attending AAPG-ACE.
- It is recommended that a total of three staff from the Petroleum Development Group attend the conference and exhibition.

Background and Current Status:

- Founded in 1917, the American Association of Petroleum Geologists (AAPG) is the world's largest professional geological society with over 34,000 members.
- The location of AAPG-ACE varies each year as the organizers rotate the event location to oil and gas hubs, almost exclusively within the United States. The 2016 conference being held in Calgary, AB represents a rare opportunity to attend this event within Canada.
- The petroleum resource marketing plan prepared by Wood Mackenzie recommended AAPG's annual conference and exhibition as one of the four core international promotional events for DNR to attend annually to promote its resource opportunities.
- DNR has participated in the AAPG-ACE event for the past several years and regularly invites representatives of Nalcor Energy to join the department at the NL booth to increase promotional efforts. Both the Department and Nalcor have regularly had speaking opportunities in the International Theatre, which is anticipated to continue this year.

Analysis:

- The availability of new seismic data, the revised land tenure system, ongoing licensing rounds, as well as Statoil's recent discoveries in 2013 and the 19 month exploration/appraisal follow-up program in the Flemish Pass Basin represent strong positive developments in our region within a challenging global environment.
Alternatives:

Option 1: It is recommended that a total of three staff from the Petroleum Development Group attend the conference and exhibition. (RECOMMENDED)

- Advantages:
  - AAPG-ACE is an excellent and timely opportunity to promote the 4 current Areas of Interest in the Labrador South, North Eastern Newfoundland, Southern Newfoundland and South Eastern Newfoundland, in addition to the current Call for Bids in the Jeanne d’Arc Basin (3 parcels), Flemish Pass Basin (4 parcels) and Orphan Basin (9 parcels) which close in November, 2016.

Prepared/Approved by: B. Kendell, D. Spurrell, W. Foote
Ministerial Approval: Received from Hon.

May 25, 2016
Title: Petroleum Exploration Society of Great Britain, PETEX Conference and Exhibition, November 15-17, 2016, London, UK.

Decision/Direction Required:
- Whether to approve Departmental staff to attend PETEX Conference and Exhibition.
- It is recommended that two staff of the Petroleum Development Group attend the conference and exhibition. Journey Authorizations are attached for signatures.

Background and Current Status:
- The Petroleum Exploration Society of Great Britain (PESGB) was founded in 1964 to promote, for public benefit, education in the scientific and technical aspects of petroleum exploration. The society currently has over 5500 members and is the main association of exploration professionals in the UK.
- The PETEX conference and exhibition, hosted by the PESGB, is the largest subsurface-focused exploration and production conference and exhibition in the UK. The 2016 conference and exhibition will be the 14th bi-annual event held spanning over 27 years and it is expected to attract approximately 3500-4000 delegates.
- In 2014 the event was moved to a larger venue, the ExCel Centre, in order to accommodate increased attendance and demand for exhibition floor space. Note that the 2014 event was the largest show in its history attracting 3500 delegates and 164 exhibitors.
- DNR participated in the APPEX Conference and Exhibition for the first time in 2014 with a booth as well as sponsoring one of the key events, the Exploration Managers Luncheon. This sponsorship provided broad exposure for the Province and many attendees continue to mention they attended and enjoyed the event.
- The Petroleum Resource Marketing Plan recommended that DNR participate in European exhibitions on an annual basis to promote the resource potential of the province. European venues were recommended as many of the international exploration and production companies maintain their new ventures groups in the region.

Analysis:
- PETEX is an opportunity to promote the results (expected to be very positive) with the current Calls for Bids in the Jeanne d'Arc, Flemish Pass and West Orphan basins.
- PETEX will also provide the opportunity to respond to questions on the scheduled land tenure system and upcoming opportunities with the 2017 Call for Bids offshore Labrador.
Meeting Note
Department of Natural Resources
Nexen Energy
June 1, 2016
9:00am
Minister’s Boardroom

Attendees: Nexen Energy:
Charl du Toit, VP, Exploration New Ventures
Brian Humphrey, VP, External Relations
Darcie Park, Director, Government Relations Canada
Siegfried Joiner, Sr. Manager, Atlantic Canada Exploration
[Biographies provided in Attachment 1]

NL:
Minister Siobhan Coady
Charles Bown
Wes Foote

Purpose of Meeting:
• This is an introductory meet and greet so no formal meeting agenda has been provided. Potential agenda items may include 1) Nexen as a New Entrant to the NL Offshore, 2) [Non-Responsive] S. 29(1)(a), S. 35(1)(f)

Background:
• Nexen is an upstream oil and gas company involved in the development of energy resources in the UK North Sea, offshore West Africa, the United States and Canada. Its three principal business areas include conventional oil and gas, oil sands and shale gas/oil.

• Nexen is a wholly-owned subsidiary of CNOOC Limited. CNOOC acquired Nexen on February 25, 2013 for an estimated US$15 billion for all outstanding common and preferred shares. CNOOC is a subsidiary of the China National Offshore Oil Corporation holding a 64.44% interest. CNOOC is China’s largest offshore crude oil and natural gas producer and a significant global independent oil and gas exploration and production company.

• Nexen’s Canadian interests include:
  o Alberta: Interests in oil sands projects including its Long Lake facility as well as non-operating interests in the Syncrude Canada Ltd. mining and upgrading facility and the Hangingstone in-situ project.
  o British Columbia: Production of shale gas in northeast BC. Also involved in Aurora LNG joint venture project between Nexen and INPEX Gas British Columbia Ltd. Studying the feasibility of an LNG facility and marine terminal at Digby Island, west of Prince Rupert.
  o Yukon: Manages a 60% equity interest on behalf of CNOOC in Northern Cross (Yukon) Ltd., which owns oil and natural gas blocks in the Yukon Territory.
  o NL Offshore: Acquired an exploration licence in the NL offshore in November 2015 (discussed further below).

• Nexen, as a wholly owned subsidiary of CNOOC, no longer appears to report financial results for the company and is likely included within CNOOC’s consolidated reporting.
For 2015, CNOOC reported approximately C$27.3 billion in revenue and US$3.2 billion in net earnings. CNOOC had US$106 billion in assets, US$44.3 billion in liabilities and US$61.4 billion in equity. (Currency conversion based on 2015 average of 6.28 Chinese yuan per 1 US$.) CNOOC also reported production of 1.36 million barrels of oil equivalent per day and year end proved reserves of 4.3 billion barrels of oil equivalent.

For 2012, the last year before acquisition by CNOOC, Nexen reported C$6.7 billion of revenue and C$333 million in net earnings. As well in 2012, Nexen reported C$20.5 billion in assets with C$8.8 billion in equity and C$11.7 billion in liabilities.

- Nexen has accepted an invitation to present during the 2016 NOIA conference in June. Patrick McVeigh, Senior Vice President, Global Exploration & International Developments is scheduled to represent Nexen.

Potential Agenda Item #1 - Nexen as a New Entrant to the NL Offshore Oil & Gas Sector
- Nexen participated in the C-NLOPB 2015 Call for Bids and successfully acquired one of the land parcels available in the Flemish Pass Basin area.

Analysis:
- This exploration licence represents Nexen’s first land parcel acquisition in the NL offshore. Nexen’s work commitment bid for the land parcel was $261 million. The C-NLOPB released the results of the Call for Bids on November 12, 2015.

<table>
<thead>
<tr>
<th>Licence / Location</th>
<th>Interest Holder</th>
<th>Call for Bids Year / Parcel</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1144 / Flemish Pass</td>
<td>Nexen Energy (100%)</td>
<td>2015 / NL15-0110</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$261.0</td>
</tr>
</tbody>
</table>

- See Attachment 2 for a map of the licences in the Eastern Newfoundland Region and highlighting Nexen’s parcel in the Flemish Pass Basin region.

Potential Speaking Points:
- The Minister may wish to:
  - Welcome Nexen to the NL offshore region and congratulate them on their successful bid in a highly prospective area.
  - Ask Nexen about its future plans for the NL offshore including any exploration/drilling in the Flemish Pass Basin area.

1) Pages 20 and 23-24 have been redacted in full as all content is non-responsive to the request.
2) Page 21 has been redacted in full. Some content has been withheld under sections 29(1)(a) and 35(1)(f); the remainder is non-responsive to the request.
3) Page 22 has been redacted in full under sections 29(1)(a) and 35(1)(f).
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
Meeting Note  
Department of Natural Resources  
Suncor Energy  
April 15, 2016  
11:00 am  
Minister’s Boardroom

Attendees:  
Suncor Energy:  
Brent Janke Vice President, East Coast  
(Biography included in Attachment 1)  

NL:  
Minister Siobhan Coady  
Charles Brown  
Tracy English

Purpose of Meeting:

- No formal meeting agenda has been provided.

Background:  
S. 29(1)(a), S. 35(1)(f)

- Suncor Energy is a Canadian-based energy company headquartered in Calgary established in 1967. On August 1, 2009, Suncor Energy and Petro-Canada merged under the Suncor Energy name. The Petro-Canada brand was retained for downstream product distribution and marketing.

- Suncor Energy’s business interests include: oil sands extraction and upgrading in western Canada; North American onshore oil and gas; international & offshore petroleum (North Sea, East Coast Canada, Libya and Syria); downstream operations in Canada & U.S., and Renewable energy and ethanol.

- Suncor Energy has a significant presence in the NL offshore.
  - Interest in all currently producing projects/fields: Hibernia (20%); HSE (19.509%); Terra Nova (37.675%); White Rose (27.5%); White Rose Expansion (26.125%).
  - A partner in the Hebron project (21.034%).
  - Interest in 3 Exploration Licences and 50 Significant Discovery Licences.  

- Suncor’s 2015 reported revenue was C$29.7 billion, down nearly 27% from 2014. Suncor recorded a net loss of nearly C$2 billion in 2015 compared to positive net earnings of $2.7 billion in 2014. Suncor also noted that it reduced its operating costs by almost $1 billion from last year and reduced net employment by 1,700 across the organization. Suncor also plans to cut its operating budget by a further $500 million in 2016. Attachment 3 includes an overview of Suncor’s 2015 financial/operational results and 2016 capital guidance.

1) Pages 28-30 and 32-34 have been redacted in full as all content is non-responsive to the request.  
2) Page 31 has been redacted in full. Some content has been withheld under sections 29(1)(a) and 35(1)(f); the remainder is non-responsive to the request.
Attachment 2 – Suncor Energy Land Holdings in NL and Project Royalties

Suncor Energy Land Holdings and Working Interests in NL Offshore:

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Interest</th>
<th>Location</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia 1</td>
<td>20.0%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1001</td>
<td>20.0%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1005</td>
<td>22.5%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1011</td>
<td>18.0%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Hibernia Southern Extension (HSE)</td>
<td>19.509%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1001</td>
<td>20.0%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1005</td>
<td>22.5%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1011</td>
<td>18.0%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Terra Nova</td>
<td>37.675%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td>Operator</td>
</tr>
<tr>
<td>PL 1002, PL 1003, PL 1004</td>
<td></td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>White Rose</td>
<td>27.5%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1006, PL 1007 &amp; PL 1010</td>
<td></td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>White Rose Expansion</td>
<td>26.125%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Various Licences</td>
<td></td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Hebron</td>
<td>21.034%</td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Various SDLs</td>
<td></td>
<td>Grand Banks Region (Jeanne d'Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Various interests in other ELs (see table below) and SDLs</td>
<td></td>
<td>Grand Banks Region (Jeanne d'Arc, Flemish Pass, Carson); Labrador Offshore Region</td>
<td></td>
</tr>
</tbody>
</table>

1. PL - production licence; SDL - significant discovery licence; EL - exploration licence.

Suncor Energy Exploration Licence Parcels from 2012 and 2013 Call for Bids:

<table>
<thead>
<tr>
<th>Licence/Location</th>
<th>Interest Holders</th>
<th>Call for Bids Year</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1135/ Flemish Pass</td>
<td>ExxonMobil Canada Ltd. (40%) ConocoPhillips Canada (30%) Suncor Energy (30%)</td>
<td>2013</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$559.0</td>
</tr>
<tr>
<td>EL 1136/ Carson Basin (SE NL Offshore)</td>
<td>ExxonMobil Canada Ltd. (50%) Suncor Energy (50%)</td>
<td>2013</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$21.0</td>
</tr>
<tr>
<td>EL 1134/ Flemish Pass</td>
<td>Husky Oil Operations Ltd (40%) Suncor Energy (35%) Repsol E&amp;P Canada Ltd (25%)</td>
<td>2012</td>
<td>01/15/2013</td>
<td>01/15/2022 [01/15/2019]</td>
<td>$19.9</td>
</tr>
</tbody>
</table>

NL Cumulative Royalties¹ Paid from Projects with Suncor Energy Interest (Million $): (CONFIDENTIAL, NOT FOR REDISTRIBUTION)

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to Dec 31, 2015)</th>
<th>Suncor Energy (to Dec 31, 2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,613</td>
<td></td>
</tr>
<tr>
<td>Hibernia PL1001 (from Nov 1997)</td>
<td>$9,640</td>
<td></td>
</tr>
<tr>
<td>HSE EL1093/PL1005 (from June 2011)</td>
<td>$15.4</td>
<td></td>
</tr>
<tr>
<td>White Rose (from Dec 2005)</td>
<td>$3,034</td>
<td></td>
</tr>
<tr>
<td>North Amethyst (from May 2010)</td>
<td>$271</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,573.4</strong></td>
<td></td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
### Attachment 3 – Suncor Energy Financial & Operational Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Million C$</td>
<td>$6,593</td>
<td>$9,091</td>
<td>$29,680</td>
</tr>
<tr>
<td>Net Earnings/Income</td>
<td>Million C$</td>
<td>($2,007)</td>
<td>$84</td>
<td>($1,995)</td>
</tr>
<tr>
<td>Net Earnings per Share (basic)</td>
<td>C$</td>
<td>($1.38)</td>
<td>$0.06</td>
<td>($1.38)</td>
</tr>
<tr>
<td>Cash Flow from Operations</td>
<td>Million C$</td>
<td>$1,294</td>
<td>$1,492</td>
<td>$6,806</td>
</tr>
<tr>
<td>Return on Capital Employed</td>
<td>Percent</td>
<td>0.6%</td>
<td>8.6%</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Assets</td>
<td>Million C$</td>
<td>$77,527</td>
<td>$79,671</td>
<td>YTD same</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>Million C$</td>
<td>$38,488</td>
<td>$38,068</td>
<td>as end of</td>
</tr>
<tr>
<td>Total Shareholders’ Equity</td>
<td>Million C$</td>
<td>$39,039</td>
<td>$41,603</td>
<td>Q4 2015</td>
</tr>
<tr>
<td>Capital and Exploration Expenditures</td>
<td>Million C$</td>
<td>$2,030</td>
<td>$1,900</td>
<td>$6,667</td>
</tr>
</tbody>
</table>

#### Netbacks-Continuing Operations

<table>
<thead>
<tr>
<th>East Coast Canada</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average price realized</td>
<td>C$/bbl</td>
<td>$52.51</td>
<td>$80.42</td>
<td>$85.12</td>
</tr>
<tr>
<td>Royalties</td>
<td>C$/bbl</td>
<td>$5.79</td>
<td>$14.52</td>
<td>$12.49</td>
</tr>
<tr>
<td>Transportation costs</td>
<td>C$/bbl</td>
<td>$2.81</td>
<td>$1.91</td>
<td>$2.18</td>
</tr>
<tr>
<td>Operating costs</td>
<td>C$/bbl</td>
<td>$16.86</td>
<td>$14.66</td>
<td>$14.15</td>
</tr>
<tr>
<td>Operating netback</td>
<td>C$/bbl</td>
<td>$27.05</td>
<td>$49.33</td>
<td>$36.30</td>
</tr>
</tbody>
</table>

#### Operations:

<table>
<thead>
<tr>
<th>Upstream Production</th>
<th>1000 boe/day</th>
<th>582.9</th>
<th>557.6</th>
<th>577.8</th>
<th>534.9</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Coast Canada</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Terra Nova</td>
<td>1000 boe/day</td>
<td>13.1</td>
<td>24.0</td>
<td>13.5</td>
<td>17.3</td>
</tr>
<tr>
<td>Hibernia</td>
<td>1000 boe/day</td>
<td>15.6</td>
<td>20.8</td>
<td>18.1</td>
<td>23.1</td>
</tr>
<tr>
<td>White Rose</td>
<td>1000 boe/day</td>
<td>14.8</td>
<td>13.3</td>
<td>12.2</td>
<td>14.6</td>
</tr>
<tr>
<td>Refinery Throughput</td>
<td>1000 boe/day</td>
<td>430.2</td>
<td>440.8</td>
<td>432.1</td>
<td>427.5</td>
</tr>
</tbody>
</table>

1. Operating revenues (net of royalties) including other income.
2. Excludes major projects in progress - for 12 month period ending
3. As at end of the quarter
4. Includes capitalized interest on debt.
5. Numbers may not sum to totals due to rounding.

### NL Discussion:

- Hebron construction continued in Q4 2015, with first oil expected in late 2017. Suncor’s growth capital of $332 million from the Exploration and Production (E&P) segment was primarily focused on Hebron construction. Effective January 1, 2016, working interests in the Hebron were reset with Suncor’s interest decreased from 22.729% to 21.034%. Suncor will be reimbursed for related capital and financing costs incurred to December 31, 2015. The transaction will be recorded as a reduction to property, plant and equipment in Q1 2016.

- In Q4 2015, Suncor recorded after-tax impairment charges against property, plant and equipment and exploration and evaluation assets of $359 million on White Rose, $54 million on Terra Nova, and $54 million on Ballistic, as a result of declining crude oil pricing.

- Suncor’s price realizations for production from East Coast Canada are influenced primarily by the price for Brent crude. Brent crude pricing decreased to an average of US$44.70/bbl in Q4 2015, compared to US$77.00/bbl in Q4 2014.

- The inventory build during Q4 2015 was slightly higher than the inventory build in the prior year quarter, due to timing of shuttle tankers in East Coast Canada.

- A four week maintenance event is scheduled to commence in Q2 2016 for Terra Nova.

### Financial/Operations Discussion:
• Suncor recorded a net loss of $2.0 billion in Q4 2015 compared with net earnings of $84 million in Q4 2014. Net loss in Q4 2015 was impacted by $1.6 billion of non-cash impairment charges, refining and marketing first in first out loss, an unrealized after-tax foreign exchange loss and lower crude oil price realizations. This was partially offset by a favourable downstream pricing environment, increased Oil Sands production, lower royalties and lower operating costs.

• Net loss for the year 2015 was $2.0 billion compared to positive net earnings of $2.7 billion in 2014. In addition to the Q4 2015 factors noted above, 2015 earnings were impacted by a deferred income tax charge in Alberta and after-tax restructuring charges in the Corporate segment. This was partially offset by an after-tax gain on the disposal of share of certain assets and liabilities of Pioneer Energy, reduction of the statutory tax rate on earnings in the U.K and after-tax insurance proceeds related to a claim on the Terra Nova asset.

• Suncor’s total upstream production was higher in Q4 2015 and for the year 2015, compared with the prior year, primarily due to strong reliability in Oil Sands operations.
  o E&P Canada production was lower in Q4 2015 compared to Q4 2014 due to expected natural declines at Terra Nova and Hibernia, in addition to a planned turnaround at Hibernia and unplanned maintenance at Terra Nova.
  o E&P Canada production was slightly higher for the year 2015 compared to 2014 due to higher production in the United Kingdom. This was partly offset by lower production in Terra Nova, Hibernia, White Rose, North America Onshore assets and Libya.

2016 Capital and Production Guidance Summary

• In February 2016, Suncor’s capital guidance for 2016 was revised down to a range of $6.0 billion and $6.5 billion from its previous range $6.7 billion and $7.3 billion. Suncor indicated that the reduction is mostly due to the deferral of Firebag planned maintenance to 2017. The capital spending reduction is not anticipated to impact near term production targets.

• Approximately 55% of the 2016 capital program has been allocated towards growth projects with the vast majority in the Upstream segment. Approximately 45% of the 2016 capital spend is expected to be directed towards sustaining capital investments that support safe, reliable and efficient operations.

<table>
<thead>
<tr>
<th>Capital Expenditures (Million C$)¹</th>
<th>2016 Full Year Outlook (February 3, 2016)</th>
<th>% of Growth Capital²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upstream</td>
<td>$6,000 - $6,500</td>
<td>55%</td>
</tr>
<tr>
<td>Downstream</td>
<td>$5,250 - $5,600</td>
<td>65%</td>
</tr>
<tr>
<td>Corporate</td>
<td>$700 - $800</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>$50 - $100</td>
<td>5%</td>
</tr>
</tbody>
</table>

1. Capital expenditures exclude capitalized interest of $600 million to $700 million.
2. Growth capital expenditures include investments that increase production levels at existing Oil Sands operations, new facilities or operations that increase overall production, new infrastructure required to support higher production, new reserves or a positive change in the company’s reserves profile in E&P operations or margin improvement (by increasing revenues or reducing costs).
3. Upstream includes ~$100 million of sustaining capital for Suncor’s 12% share of Syncrude.

• Suncor’s 2016 production guidance is expected to between 525,000 to 565,000 barrels of oil equivalent per day (boe/day).

• Suncor’s 2016 outlook assumption adjustments include: Brent at Sullom US$40/barrel from US$55/barrel; WTI at Cushing to US$39/barrel from US$50/barrel; WCS at Hardisty to US$26/barrel from US$35/barrel; and Cdn/US exchange rate to $0.70 from $0.75.

Note: page 39 has been redacted in full under sections 29(1)(a) and 35(1)(f).
Meeting Note
Department of Natural Resources
ExxonMobil
May 11, 2016
4:00 pm
Premier’s Office

Attendees:
ExxonMobil:
Alex Guiscardo, President of ExxonMobil Canada
Margot Bruce O’Connell, Public Affairs Manager, ExxonMobil Canada
Biography for Alex Guiscardo included in Attachment 1.

NL Attendees:
Premier Dwight Ball
Minister Siobhan Coady
Charles Bown

Purpose of Meeting:
- No formal agenda has been provided
  1) The 2015 Flemish Pass sale
  2) the recent 2015 land sale in the Flemish Pass; 3)
- Background:
  - ExxonMobil Corp. is the world’s largest publicly-traded international oil and gas company
    and the world’s largest refiner and marketer of petroleum products. Based in Houston,
    ExxonMobil lists its business interest areas as upstream oil and gas (exploration,
    development and production), natural gas and power marketing, petroleum refining and
    supply, fuels marketing, lubricants & specialties, and chemicals.
  - ExxonMobil’s 2015 revenue was US$269 billion, down about 35% from 2014. Net earnings
    were US$16.2 billion, down about half from 2014 due to lower upstream liquids and gas
    prices. ExxonMobil lowered costs by US$11.5 billion in 2015 and capital and exploration
    spending for 2015 was $31.1 billion, down about 19% from 2014. ExxonMobil expects
    further capital expenditure reductions of about 25% in 2016. Attachment 2 includes an
    overview of ExxonMobil’s 2015 financial and operational results.
  - ExxonMobil Canada operates as a subsidiary of ExxonMobil and is a leading developer of
    oil and gas off Canada’s East Coast. Since August 2010, the president of ExxonMobil
    Canada has been headquartered in St. John’s, which is reflective of the company’s activity
    level in NL’s offshore. ExxonMobil Canada also holds interests in the Maritimes and
    Northeast Pipeline, the Newfoundland Transshipment Limited, and Western Canada.
  - ExxonMobil has substantial project holdings in the NL offshore region (including Hibernia,
    Terra Nova and Hebron) in addition to various other exploration and significant discovery
    licences.
    A summary of the ExxonMobil’s NL project/licence interests and royalties paid is listed in Attachment 3.

Note: page 41 has been redacted in full as all content is non-responsive to the request.

S. 39(2)
Non-Responsive
Potential Agenda Item #3 – Recent 2015 Land Sale in the Flemish Pass

- ExxonMobil officials may wish to discuss ExxonMobil’s licence/working interests in the NL offshore and any planned/potential exploration and drilling activities.

Analysis:

- In the 2015 C-NLOPB call for bids for the Eastern NL region (NL15-01EN), ExxonMobil and its working interest partners bid successfully on three of the seven parcels that were awarded, committing $442 million (ExxonMobil’s share at approximately $146 million) in exploration expenditures over the next six years in the area.
• ExxonMobil and its partners acquired three land parcels in the NL offshore in the 2013 Call for Bids. ExxonMobil Canada’s successful bid of $559 million, with partners Suncor Energy and ConocoPhillips Canada Resources Corporation, on a parcel of land in the Flemish Pass Basin (EL1135) was largest bid in the Province’s history for a single parcel.

• The successful bid on EL1135 parcel was followed by 3D seismic acquisition program, completed in 2015 by the vessel Ramform Valiant in the Flemish Pass including EL1135. In February 2015, ExxonMobil filed an Environmental Project Description, Eastern Newfoundland Offshore, Geophysical, Geochemical, Environmental and Geotechnical Programs 2015-2014. The acquisition of 3D data could lead to exploration drilling very early in the initial six year license term however an environmental assessment will be required under the Canadian Environmental Assessment Act 2012.

• From the 2013, 2014 and 2015 Calls for Bids, ExxonMobil and its partners have committed approximately $1.04 billion (ExxonMobil’s share at approximately $397 million) in exploration expenditures over the next number of years in the area. Attachment 3 includes a summary of ExxonMobil land holdings in the NL offshore.

Potential Speaking Points:

• The Premier may wish to:
  • Congratulate ExxonMobil on recent successful bids in some highly prospective parcels.

1) Pages 44 and 46-50 have been redacted in full as all content is non-responsive to the request.
2) Page 45 has been withheld in full. Some content has been withheld under sections 29(1)(a) and 35(1)(f); the remainder is non-responsive to the request.
Attachment 2 – ExxonMobil Financial & Operational Results for 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue¹</td>
<td>Million US$</td>
<td>$59,807</td>
<td>$87,276</td>
<td>$268,882</td>
</tr>
<tr>
<td>Net Earnings/Income²</td>
<td>Million US$</td>
<td>$2,780</td>
<td>$6,570</td>
<td>$16,150</td>
</tr>
<tr>
<td>Upstream</td>
<td>Million US$</td>
<td>$857</td>
<td>$5,468</td>
<td>$7,101</td>
</tr>
<tr>
<td>Downstream</td>
<td>Million US$</td>
<td>$1,351</td>
<td>$497</td>
<td>$6,557</td>
</tr>
<tr>
<td>Chemical</td>
<td>Million US$</td>
<td>$963</td>
<td>$1,227</td>
<td>$4,418</td>
</tr>
<tr>
<td>Corporate</td>
<td>Million US$</td>
<td>($391)</td>
<td>($622)</td>
<td>($1,926)</td>
</tr>
<tr>
<td>Earnings per Common Share³</td>
<td>US$</td>
<td>$0.67</td>
<td>$1.56</td>
<td>$3.85</td>
</tr>
<tr>
<td>Cash flow from Operations &amp; Asset Sales</td>
<td>Billion US$</td>
<td>$5.1</td>
<td>$7.7</td>
<td>$32.7</td>
</tr>
<tr>
<td>Capital &amp; Exploration Expenditures</td>
<td>Million US$</td>
<td>$7,416</td>
<td>$10,464</td>
<td>$31,051</td>
</tr>
<tr>
<td>Upstream Capital &amp; Exploration</td>
<td>Million US$</td>
<td>$5,870</td>
<td>$8,645</td>
<td>$25,407</td>
</tr>
</tbody>
</table>

1. Total revenues and other income.
2. Attributable to ExxonMobil (U.S. GAAP) excluding special items.
3. Numbers may not sum to totals due to rounding.
4. n/a represents data not available or applicable.

NL Discussion:

- ExxonMobil highlighted its three new blocks from the recent call for bids in Newfoundland and Labrador. ExxonMobil stated that these blocks add 652,000 acres and are in a proven hydrocarbon basin and will build on 18 years of success in the area.

Financial/Operations Discussion:

- Earnings in Q4 2015 were lower compared to Q4 2014:
  - Upstream earnings were lower due to lower liquids and gas realizations, absence of both the prior year U.S. deferred income tax effects and recognition of a favorable arbitration ruling for expropriated Venezuela assets. This was partly offset by favorable volume-mix effects with higher production.
  - Downstream earnings were higher due to stronger margins and favorable volume-mix effects, lower maintenance, expenses and favorable foreign exchange and tax effects. This was partly offset by unfavorable inventory impacts.
  - Chemical earnings were lower primarily due to margins, unfavorable foreign exchange and tax and inventory effects. This was partly offset by volume-mix effects.
  - Corporate and financing expenses were lower due to net favorable tax-related impacts.

- Earnings for the year-ended 2015 were lower compared to year-ended 2014:
  - Upstream earnings were lower due to lower realizations, asset management gains and the absence of prior year deferred income tax effects. This was partly offset by favorable
volume-mix effects with higher production.

- Downstream earnings were higher due to strong margins and favorable foreign exchange effects. This was partly offset by volume and mix effects, higher maintenance expense and unfavorable inventory impacts.

- Chemical earnings were higher due to strong margins, favorable volume and mix effects and asset management gains. This was partly offset by unfavorable foreign exchange and tax and inventory effects.

- Corporate and financing expenses were lower due to net favorable tax-related items.

- Capital and exploration expenditures were $7.4 billion, down 29% from Q4 2014. Capital and exploration expenditures were $31.1 billion for the year-ended 2015, down 19% from 2014. The company anticipates further reductions in 2016, with capital and exploration expenditures of $23.2 billion, a decrease of 25% from 2015. During the question and answer period, ExxonMobil stated that they are flexible to further reductions.

- During 2015, ExxonMobil lowered costs by $11.5 billion, with $8.5 billion in operational costs (structural efficiency, market gains, energy costs and cost management) and $3 billion in capital expenditures costs by the decision to slow down projects.

- Production in Q4 2015 increased 4.8% from Q4 2014, with liquids up 14% and natural gas down 5.6%. Liquids production was higher due to project ramp-up, work programs and entitlement effects, partly offset by field decline. Natural gas production was down due to regulatory restrictions in the Netherlands and field decline, partly offset by entitlement effects.

- Production year-ended 2015 was up 3.2% compared to 2014. Liquids increased due to project ramp-up and entitlement effects partly offset by field decline. Natural gas decreased due to regulatory restrictions in the Netherlands and field decline were partly offset by project ramp-up, work programs and entitlement effects.
Attachment 3 – Summary of ExxonMobil Land Holdings in NL and Project Royalties

Land Holdings and Working Interests in NL Offshore:

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Working Interest</th>
<th>Location</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia - PL 1001</td>
<td>33.125%</td>
<td>Jeanne d'Arc Basin</td>
<td>Operator (HMDC)</td>
</tr>
<tr>
<td>Hibernia South - Unitized</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1001</td>
<td>27.361%</td>
<td>Jeanne d'Arc Basin</td>
<td>Operator</td>
</tr>
<tr>
<td>PL 1005</td>
<td>33.125%</td>
<td>Jeanne d'Arc Basin</td>
<td></td>
</tr>
<tr>
<td>EL 1093</td>
<td>22.5%</td>
<td>Jeanne d'Arc Basin</td>
<td></td>
</tr>
<tr>
<td></td>
<td>29.8125%</td>
<td>Jeanne d'Arc Basin</td>
<td></td>
</tr>
<tr>
<td>Terra Nova - PL 1002, PL 1003, PL 1004</td>
<td>19.00%</td>
<td>Jeanne d'Arc Basin</td>
<td></td>
</tr>
<tr>
<td>Hebron - Various SDLs</td>
<td>35.455%</td>
<td>Jeanne d'Arc Basin</td>
<td>Operator</td>
</tr>
<tr>
<td>Various interests in other SDLs in the NL offshore</td>
<td></td>
<td>Jeanne d'Arc &amp; Flemish Pass Basins</td>
<td></td>
</tr>
</tbody>
</table>

1. PL - production licence; SDL - significant discovery licence; EL - exploration licence.

Land Parcels Acquired from 2015 Call for Bids:

<table>
<thead>
<tr>
<th>Licence/Location</th>
<th>Interest Holders</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1139/ Flemish Pass</td>
<td>Statoil Canada Ltd. (40%) ExxonMobil Canada Ltd. (35%) BG International Ltd. (25%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$11.03</td>
</tr>
<tr>
<td>EL 1140/ Flemish Pass</td>
<td>Statoil Canada Ltd. (34%) ExxonMobil Canada Ltd. (33%) BP Canada Energy Group ULC (33%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$225.16</td>
</tr>
<tr>
<td>EL 1141/ Flemish Pass</td>
<td>Statoil Canada Ltd. (34%) ExxonMobil Canada Ltd. (33%) BP Canada Energy Group ULC (33%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$206.26</td>
</tr>
</tbody>
</table>

Land Parcels Acquired from 2013 and 2014 Call for Bids (awarded in 2014):

<table>
<thead>
<tr>
<th>Licence/Location</th>
<th>Interest Holders</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1135/ Flemish Pass</td>
<td>ExxonMobil Canada Ltd. (40%) ConocoPhillips Canada (30%) Suncor Energy (30%)</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$559.0</td>
</tr>
<tr>
<td>EL 1136/ SE Offshore</td>
<td>ExxonMobil Canada Ltd. (50%) Suncor Energy (50%)</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$21.0</td>
</tr>
<tr>
<td>EL 1137/ Jeanne d'Arc</td>
<td>ExxonMobil Canada Ltd. (100%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$16.7</td>
</tr>
</tbody>
</table>

NL Cumulative Royalties¹ Paid from Projects with ExxonMobil Interest (Million $) (CONFIDENTIAL, NOT FOR REDISTRIBUTION)

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to Feb 29, 2016)</th>
<th>ExxonMobil (to Feb 29, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia - PL1001 (from Nov 1997)</td>
<td>$9,674</td>
<td></td>
</tr>
<tr>
<td>Hibernia South - PL1005/EL1093 (from June 2011)</td>
<td>$16.4</td>
<td></td>
</tr>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,625</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$15,315.4</td>
<td></td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
Title: Statoil Bay de Loup M-62 Exploration Well

Issue: Preliminary results of the well evaluation are presented

Background:
- Statoil spud the Bay de Loup M-62 well on March 14, 2016 using the semi-submersible, West Hercules on contract from Seadrill Ltd. Statoil Canada Limited (Operator) 65%, and Husky Oil Operations Limited 35% are the interest owners.

- The Bay de Loup M-62 well was drilled on Exploration License (EL) 1112 in the Flemish pass basin, in about 1170 m of water depth. This EL is located approximately 470 km north east of St. John’s and approximately 9.8 km south of Bay du Nord (See Attachment I).

NOTE: Information used in this information note has been submitted to the Canada-Newfoundland and Labrador Offshore Petroleum Board by the Operator on a confidential basis and, pursuant to section 115 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act, is privileged and must not knowingly be disclosed.

Action Being Taken:
- Statoil has mobilized the rig to drill the main hole section of the Baccalieu F-89 well on EL-1143 which was issued on January 15, 2016 and acquired in the 2015 Call for Bids.
- Department staff will liaise with C-NLOPB officials as further updates become available.

Prepared/Approved by: J. Agbakwuru, K. Hynes, W. Foote/
Ministerial Approval:

April 28, 2016
Attachment I: Map Showing Location of Bay de Loup M-62 Well
Information Note
Department of Natural Resources

Title: APPEX Global Prospect and Property Expo (APPEX) March 1-3, 2016, London, UK

Issue: Overview of show activity, results and outcomes.

Background and Current Status:
- The APPEX Global Prospect and Property Expo (APPEX) is designed as a global forum to buy, sell and promote international upstream exploration and production deals to key international players. The event commenced in 2000 and an International Pavilion was added in 2007 to showcase international prospects.

- DNR has attended the APPEX show annually since 2010 when it was identified in the resource marketing plan, completed by Wood Mackenzie, as a top tier venue to promote the resource potential of the Province. APPEX is deemed an excellent European venue as many exploration and production companies maintain an international new ventures group in London and attend this conference to source new business opportunities.

Analysis

1) Pages 60-61 have been redacted in full. Some content has been withheld under sections 29(1)(a), 35(1)(d), 39(1)(a)(ii), 39(1)(b) and 39(1)(c)(ii); the remainder is non-responsive to the request.

2) Page 62 has been redacted in full as all content is non-responsive to the request.
Meeting Note
Department of Natural Resources
Suncor Energy
July 13, 2016 at 3:00 p.m.

Attendees: Suncor Energy:
Brent Janke Vice President, East Coast
John Downton, Manager, Communications and Stakeholder Relations
(Biographies included in Attachment 1)

NL:
Premier Dwight Ball
Minister Siobhan Coady
Charles Bown

Purpose of Meeting:
- Suncor will likely raise the following topics

Background:
- Suncor Energy is a Canadian-based energy company headquartered in Calgary established in 1967. On August 1, 2009, Suncor Energy and Petro-Canada merged under the Suncor Energy name. The Petro-Canada brand was retained for downstream product distribution and marketing.

- Suncor Energy’s business interests include: oil sands extraction and upgrading in western Canada; North American onshore oil and gas; international & offshore petroleum (North Sea, East Coast Canada, Libya and Syria); downstream operations in Canada & U.S., and Renewable energy and ethanol.

- Suncor Energy has a significant presence in the NL offshore.
  - interest in all currently producing projects/fields: Hibernia (20%); HSE (19.1315%); Terra Nova (37.675%); White Rose (27.5%); White Rose Expansion (26.125%).
  - A partner in the Hebron project (21.034%).
  - Interest in 3 Exploration Licences and 50 Significant Discovery Licences.

  See Attachment 2 for an overview of Suncor’s project/licence interests and royalties.

- Suncor’s 2015 reported revenue was C$29.7B, down nearly 27% from 2014. Suncor recorded a net loss of nearly C$2B in 2015 compared to positive net earnings of $2.7B in 2014. Suncor also noted that it has reduced its operating costs by almost $1 billion and reduced net employment by 1,700 across the organization. Suncor also plans to cut its operating budget by a further $500 million in 2016. Attachment 3 includes an overview of Suncor’s 2015 financial/operational results and 2016 capital guidance.

- On April 15, 2016 Brent Janke met with the Minister of Natural Resources to discuss issues identified above. This meeting is aimed at furthering this ongoing discussion.

1) Pages 64 and 66-72 have been redacted in full as all content is non-responsive to the request.
2) Page 85 has been redacted in full. Some content has been withheld under sections 29(1)(a) and 35(1)(f), the remainder is non-responsive to the request.
# Suncor Energy Land Holdings and Working Interests in NL Offshore

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Interest</th>
<th>Location</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1001</td>
<td>20.0%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>19.1315%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>22.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hibernia Southern Extension (HSE)</td>
<td></td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1001</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1005</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Terra Nova</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1002, PL 1003, PL 1004</td>
<td>37.675%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td>Operator</td>
</tr>
<tr>
<td>White Rose</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1006, PL 1007 &amp; PL 1010</td>
<td>27.5%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>White Rose Expansion Various Licences</td>
<td>26.125%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Hebron Various SDLs</td>
<td>21.034%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Various interests in other ELs (see table below) and SDLs</td>
<td></td>
<td>Grand Banks Region (Jeanne d’Arc, Flemish Pass, Carson); Labrador Offshore Region</td>
<td></td>
</tr>
</tbody>
</table>

1. PL - production licence; SDL - significant discovery licence; EL - exploration licence.

## Suncor Energy Exploration Licence Parcels from 2012 and 2013 Call for Bids

<table>
<thead>
<tr>
<th>Licence/Location</th>
<th>Interest Holders</th>
<th>Call for Bids Year</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1135/ Flemish Pass</td>
<td>ExxonMobil Canada Ltd. (40%) ConocoPhillips Canada (30%) Suncor Energy (30%)</td>
<td>2013</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$559.0</td>
</tr>
<tr>
<td>EL 1136/ Carson Basin (SE NL Offshore)</td>
<td>ExxonMobil Canada Ltd. (50%) Suncor Energy (50%)</td>
<td>2013</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$21.0</td>
</tr>
<tr>
<td>EL 1134/ Flemish Pass</td>
<td>Husky Oil Operations Ltd (40%) Suncor Energy (35%) Repsol E&amp;P Canada Ltd (25%)</td>
<td>2012</td>
<td>01/15/2013</td>
<td>01/15/2022 [01/15/2019]</td>
<td>$19.9</td>
</tr>
</tbody>
</table>

## NL Cumulative Royalties¹ Paid from Projects with Suncor Energy Interest (Million $):
(CONFIDENTIAL, NOT FOR REDISTRIBUTION)

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to April 30, 2016)</th>
<th>Suncor Energy (to April 30, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,644</td>
<td></td>
</tr>
<tr>
<td>Hibernia PL1001 (from Nov 1997)</td>
<td>$9,736</td>
<td></td>
</tr>
<tr>
<td>HSE (from June 2011)</td>
<td>$17.7</td>
<td></td>
</tr>
<tr>
<td>White Rose (from Dec 2005)</td>
<td>$3,064</td>
<td></td>
</tr>
<tr>
<td>North Amethyst (from May 2010)</td>
<td>$273</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$18,734.7</td>
<td></td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.

1) Pages 74-76 have been removed as they are exact duplicates of pages 36-38.
2) Page 77 has been redacted in full under sections 29(1)(a) and 35(1)(f).
Title: Canadian Society of Petroleum Geologists (CSPG) GeoConvention, Joint Annual Conference, March 7-11, 2016, Calgary, AB.

Issue: Overview of show activity, results and outcomes.

Background and Current Status:
- Founded in 1927 and headquartered in Calgary, AB, the mandate of the Canadian Society of Petroleum Geologists (CSPG) is to promote the science of geology especially as it relates to petroleum and natural gas exploration and development. There are approximately 2,500 regular members from 30 countries with an additional 400 dedicated volunteers.

- The CSPG Joint Annual Convention is held in Calgary each spring in conjunction with the CSPG Core Conference. Along with the CSPG, the Canadian Society of Exploration Geophysicists (CSEG) and the Canadian Well Logging Society (CWLS) are co-sponsors of the event. The theme for the 2016 conference was 'Optimizing Resources'.

- The 2016 exhibition attracted 55 companies with an excess of 1500 visitors attending. In comparison to 2015 there were 117 exhibiting companies only attracting 956 visitors. The conference portion of the event attracted 935 registrants as compared to 1800+ registrations in 2015. Organizers attribute the decline in the conference registrations to the current industry environment due to low oil prices. Another contributing factor was that the American Association of Petroleum Geologists (AAPG) annual conference was being held in June in Calgary this year and as a result, the CSPG GeoConvention was moved to March instead of the usual May event. This timeline caused some scheduling conflicts for returning exhibiting companies.

- DNR's participation in the trade show was recommended in the Petroleum Resource Marketing Plan completed by Wood Mackenzie. DNR has participated for the past seven years.

- The 2016 offshore Call for Bids as well as the offshore Scheduled Land Tenure System and the multi-client MK1 Seismic Survey were the primary topics of discussion. Over the course of three days, traffic at the NL booth was steady and in excess of 100+ attendees visited the booth and collected promotional material. DNR staff assessed that this number was on par with 2015 booth visitation totals.

- Of particular interest at the conference was a presentation by UK based IKON Science entitled "Trend-based rock physics to reduce prospect risk – Flemish Pass & Orphan basins, offshore Newfoundland". This talk was well attended and IKON offered to promote NL again during AAPG in June by presenting this paper.

Note: page 79 has been redacted in full as all content is non-responsive to the request.
Meeting Note
Department of Natural Resources
Statoil
June 22, 2016
10:00 am
Premier’s Boardroom

Attendees:  Statoil:
Tim Dodson, Executive Vice-President, Exploration
Gisle Stjørn, Vice President, Statoil, Offshore Canada
Alex Collins, Communications Lead, Statoil Canada
See Attachment 1 for biographies.

NL Attendees:
Premier Dwight Ball
Minister Siobhan Coady
Charles Bown

Purpose of Meeting:

No formal meeting agenda has been provided, however, the following issues may be discussed: 1) Statoil’s exploration program and the 2015 call for bids; 2) Statoil’s Flemish Pass discoveries and discussions with NL; 3) Non-Responsive

Background:

• Statoil is an international integrated energy company headquartered in Norway that was formed in 1972 as the Norwegian State Oil Company. In 2007, Statoil merged with the oil and gas division of Norsk Hydro following approval by the Norwegian Parliament. Statoil is now a publicly traded company with the Norwegian State as the largest shareholder in Statoil at 67%. The new company originally operated as StatoilHydro but reverted to Statoil in 2009.

• Statoil’s various and overlapping business operations include upstream exploration and production, natural gas, procurement, pipelines, production facilities, energy and retail as well as trading and products. Statoil has approximately 22,000 employees worldwide with operations in 37 countries.

• Statoil Canada has offices in Calgary and St. John’s as well as a heavy oil technology centre in Calgary. Statoil’s Canadian interests include:
  o The Oil Sands: 100% owner and operator for two Kai Kos Dehseh lease areas, Leismer and Corner, in the Alberta Athabasca region. The Leismer Demonstration Project is the first phase to be developed and the facility is in production. The project produces approximately 13,000 barrels per day.
  o NL Offshore: Working interest partner in Hibernia (5.0%), Hibernia Southern Extension (10.5%), Hebron (9.0%) and Terra Nova (15%) and have previously stated a goal of becoming an operator in the NL offshore. Norsk Hydro acquired shares in the NL offshore area in a land swap with Petro Canada in 1996/97. These shares were then acquired by Statoil when the companies merged in 2007.

S. 39(2)
as Attachment 2 for additional information on Statoil’s interests in the NL offshore.

- Statoil’s 2015 revenue was approximately US$60 billion, down from US$99 billion for 2014. Statoil had a net earnings loss of US$4.6 billion, down about US$8.1 billion from 2014. The lower results were primarily due to lower upstream liquids and gas prices and reduction in production. Statoil plans to reduce its capital expenditures from US$14.7 billion in 2015 to approximately US$13 billion in 2016. Attachment 3 includes an overview of Statoil’s 2015 financial and operational results as well as its current outlook.

Potential Agenda Item #1 – Statoil Exploration Program and 2015 Call for Bids

- Statoil may wish to discuss their licence/working interests in the NL offshore and their upcoming exploration and drilling activities.

- In the 2015 Call for Bids, Statoil and its working interest partners were the successful bidders on six of the seven parcels that were awarded, committing $944 million (Statoil’s share at approximately $606.5 million) in exploration expenditures during the six year Period I of the licence. Statoil's bid share represents approximately 50% of the total spending commitments from the land sale. Attachment 2 includes a summary of Statoil land holdings in the NL offshore as well as a map of Flemish Pass licence locations.

- With its various partners, Statoil holds five additional exploration licences, committing approximately $443 million (Statoil share approximately $243 million). This collection of new and existing exploration licences, along with the Mizzen significant discovery licence, represents a substantial position and work commitment for Statoil in this offshore region. See Attachment 2 for a map of land parcel/licence locations.

- Statoil (65%) and Husky Energy (35%) are the interest holders in the Flemish Pass Bay du Nord project. The companies used the West Hercules semisubmersible drilling rig in the area of the original Bay du Nord C-78 discovery well and sidetrack, completed appraisal drilling at two other locations, including sidetracks (Bay de Verde F-67 and Bay du Nord L-76). The L-76Z well, a sidetrack from the L-76 was flow tested but no well results have been announced. Another well, P-78, was drilled to the surface casing setting point and suspended. These activities were completed on September 14, 2015.

- On June 10, 2016, Statoil issued a news release commenting on the results of Flemish Pass drilling program over the past nineteen months. Statoil reported two additional oil discoveries at the Bay de Verde and Baccalieu prospects both which add to the resource base for a potential development at the Bay du Nord discovery. The release indicated that the drilling program served to reduce key reservoir uncertainties and confirmed the volumes are within the original discovered reserve estimate of between 300 – 600 million barrels recoverable, but potentially towards the lower end of the range. The Province responded with its own news release focusing on the discovery at Baccalieu which occurred on an exploration licence issued in January 2016.  S. 29(1)(a), S. 35(1)(d), S. 35(1)(f), S. 39(1)(a)(ii), S. 39(1)(b), S. 39(1)(c)(i)

- The C-NLOPB has authorized WesternGeco to conduct a 3D seismic survey in the Flemish Pass Basin, offshore Newfoundland and Labrador. The principal contractor is WesternGeco Canada using the vessel Amazon Conqueror. The program is expected to last 195 days and as of May 25, the vessel was on location deploying equipment.
• Mr. Dodson is scheduled to present on June 20, 2016 at the Michel T. Halbouty Lecture at the American Association of Petroleum Geologists (AAPG) Annual Conference and Exhibition being held in Calgary, Alberta. This highly regarded lecture series is funded by the AAPG Foundation. Mr. Dodson’s topic is “Bay du Nord: A Bold Chase for Oil in a Harsh Frontier Basin.”

Potential Speaking Points:

• The Premier may wish to:
  o Congratulate Statoil on recent successful bids in some highly prospective parcels.

Proposed Action:

• No proposed actions at this time.

Potential Agenda Item #2 - Flemish Pass Discoveries and Discussions with NL

• Statoil had previously made three discoveries in the Flemish Pass including Bay du Nord (300-600 million barrels); Mizzen (102 million barrels); Harpoon which is still under evaluation; and, more recently additional discoveries at Bay de Verde and Baccalieu prospects.

• In the past, Statoil has categorized its assets in the Flemish Pass region, including Bay du Nord, in a premium asset execution category for the 2020+ timeframe.

Analysis:

1) Page 83 has been redacted in full. Some content has been withheld under sections 29(1)(a), 35(1)(d), 35(1)(f), 35(1)(g), 39(1)(a)(ii), 39(1)(b), and 39(1)(c)(i); the remainder is non-responsive to the request.

2) Pages 84-86 have been redacted in full as all content is non-responsive to the request.
Attachment 2

Statoil Land Holdings and Working Interests in NL:

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Working Interest</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia - PL 1001</td>
<td>5.0%</td>
<td>Jeanne d'Arc Basin</td>
</tr>
<tr>
<td>Hibernia South - Unitized</td>
<td>10.536%</td>
<td>Jeanne d'Arc Basin</td>
</tr>
<tr>
<td>Terra Nova - PL 1002, PL 1003, PL 1004</td>
<td>15.0%</td>
<td>Jeanne d'Arc Basin</td>
</tr>
<tr>
<td>Hebron - Various SDLs</td>
<td>9.015%</td>
<td>Jeanne d'Arc Basin</td>
</tr>
<tr>
<td>Mizzen Discovery SDL 1047 and SDL 1048</td>
<td>65.0% (Statoil is the Operator)</td>
<td>Flemish Pass Basin</td>
</tr>
<tr>
<td>Various interests in several other ELs and SDLs</td>
<td></td>
<td>Jeanne d'Arc Basin and Flemish Pass Basin</td>
</tr>
</tbody>
</table>

1. PL - production licence; SDL - significant discovery licence; EL - exploration licence.

Statoil Land Parcels from 2015 Call for Bids (Flemish Pass):

<table>
<thead>
<tr>
<th>Licence</th>
<th>Interest Holders</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1138</td>
<td>Chevron Canada Ltd. (35%) Statoil Canada Ltd. (35%) BG International Ltd. (30%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$43.18</td>
</tr>
<tr>
<td>EL 1139</td>
<td>Statoil Canada Ltd. (40%) ExxonMobil Canada Ltd. (35%) BG International Ltd. (25%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$11.03</td>
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<tr>
<td>EL 1140</td>
<td>Statoil Canada Ltd. (34%) ExxonMobil Canada Ltd. (33%) BP Canada Energy Group ULC (33%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$225.16</td>
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<tr>
<td>EL 1141</td>
<td>Statoil Canada Ltd. (34%) ExxonMobil Canada Ltd. (33%) BP Canada Energy Group ULC (33%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$206.26</td>
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<tr>
<td>EL 1142</td>
<td>Statoil Canada Ltd. (50%) BP Canada Energy Group ULC (50%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$35.14</td>
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<tr>
<td>EL 1143</td>
<td>Statoil Canada Ltd. (100%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$423.19</td>
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</table>

NL Cumulative Royalties paid from Projects with Statoil Interest (Million $) (CONFIDENTIAL, NOT FOR REDISTRIBUTION)

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to Feb 29, 2016)</th>
<th>ExxonMobil (to Feb 29, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia - PL1001 (from Nov 1997)</td>
<td>$9,974</td>
<td>$9,974</td>
</tr>
<tr>
<td>Hibernia South - PL1005/EL1093 (from June 2011)</td>
<td>$16.4</td>
<td>$16.4</td>
</tr>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,625</td>
<td>$5,625</td>
</tr>
<tr>
<td>Total</td>
<td>$15,315.4</td>
<td>$15,315.4</td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
Map 2 – Flemish Pass and Environs Well Locations
### Attachment 3 – Statoil Financial & Operational Indicators

<table>
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<tr>
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<th>Q4 2015</th>
<th>Q4 2014</th>
<th>YTD 2015</th>
<th>YTD 2014</th>
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<td><strong>Financial</strong></td>
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<td></td>
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<tr>
<td>Revenue(^1)</td>
<td>Billions NOK(^5)</td>
<td>112.1</td>
<td>152.6</td>
<td>482.8</td>
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<td></td>
<td>Billions US$</td>
<td>13.1</td>
<td>22.2</td>
<td>59.8</td>
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<tr>
<td>Net Earnings / Income</td>
<td>Billions NOK</td>
<td>(9.2)</td>
<td>(8.9)</td>
<td>(37.3)</td>
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<td></td>
<td>Billions US$</td>
<td>(1.1)</td>
<td>(1.30)</td>
<td>(4.6)</td>
</tr>
<tr>
<td>Basic Earnings per Share</td>
<td>NOK</td>
<td>(2.89)</td>
<td>(2.81)</td>
<td>(11.80)</td>
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<tr>
<td></td>
<td>US$</td>
<td>(0.34)</td>
<td>(0.41)</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Cash flow from Operating Activities</td>
<td>Billions NOK</td>
<td>18.8</td>
<td>27.3</td>
<td>109.0</td>
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<tr>
<td></td>
<td>Billions US$</td>
<td>2.2</td>
<td>4.0</td>
<td>13.5</td>
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<tr>
<td>Total Assets(^2)</td>
<td>Billions NOK</td>
<td>966.7</td>
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<td></td>
<td>Billions US$</td>
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<td>143.8</td>
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<td>Total Liabilities(^2)</td>
<td>Billions NOK</td>
<td>611.7</td>
<td>605.2</td>
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<td></td>
<td>Billions US$</td>
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<td>88.2</td>
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<td>Total Equity(^2)</td>
<td>Billions NOK</td>
<td>355.0</td>
<td>381.2</td>
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<td></td>
<td>Billions US$</td>
<td>41.6</td>
<td>55.6</td>
<td></td>
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<tr>
<td>Exploration Expenditure</td>
<td>Billions NOK</td>
<td>4.2</td>
<td>7.5</td>
<td>14.3</td>
</tr>
<tr>
<td></td>
<td>Billions US$</td>
<td>0.5</td>
<td>1.1</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>Exchange Rate(^3)</strong></td>
<td>USD/NOK</td>
<td>8.53</td>
<td>6.86</td>
<td>8.07</td>
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<td><strong>Operations</strong></td>
<td>Upstream Production(^4)</td>
<td>1000 boe/day</td>
<td>2,046</td>
<td>2,103</td>
</tr>
</tbody>
</table>

1. Total revenues and other income.
2. As at end of the quarter.
3. The average daily exchange rate as listed in Statoil Financial statements. Figures in US$ are estimated based on exchange rates published by Statoil.
4. Total equity liquids and gas production.
5. NOK - Norwegian Kroner
6. Numbers may not sum to totals due to rounding.

### NL Discussion:

- In 2014, Statoil started an appraisal program in the Flemish Pass and anticipate having program results later in 2016. In its Q1 2016 update, Statoil noted that its Flemish Pass drilling program will be finishing up this summer and expects to provide some follow up on the program in later quarters. Statoil also plans to continue to test new prospects in the Flemish Pass and work on maturing its six new licenses in the area acquired in November 2015.

### Financial/Operations Discussion:

- In Q4 2015, Statoil reported a net loss of NOK9.2 billion compared to a net loss of NOK8.9 billion in Q4 2014. For the full year 2015 Statoil reported a net loss of NOK37.3 billion compared to NOK22 billion in 2014. This is mainly a result of lower short term prices leading to impairment charges and provisions.

- Statoil also reports adjusted earnings which exclude certain items affecting net income for the period that management considers may not be well correlated to Statoil's underlying operational performance. Statoil's adjusted earning in Q4 2015 were NOK15.2 billion, down 44% compared to NOK26.9 billion in Q4 2014 primarily due to the significant drop in liquids prices, lower gas prices and reduction in production.
• Adjusted earnings were NOK77.0 billion for 2015, down by 43% from NOK136.1 billion for 2014 due to the reduction in both liquids and gas prices measured in NOK and the 16% increase in depreciation costs. Significantly stronger refinery margins in 2015 and higher volumes of both liquids and gas sold, partially offset the decrease.

• Statoil discussed its continued efforts for costs savings in the current price environment. Statoil has been working to reduce costs by renegotiating contracts and improving efficiencies themselves and with their partner operators. Statoil continues to reduce breakeven costs in all project areas both with sanctioned and non-sanctioned projects.

• Statoil is focusing on three priorities:
  o Delivering faster and deeper cost reductions: Stepping up the improvement program by 50% to US$2.5 billion annually in 2016.
  o Preparing to invest in the next generation portfolio: Investing in an improved project portfolio, with an average break-even of US$41/boe.
  o Capturing the upturn in oil and gas prices: Sustaining the efficiency gains and investing in attractive projects to benefit from the expected price recovery.

• Statoil announced that, one year ahead of plan, it delivered annual cost improvements of US$1.9 billion, compared to its 2016 target of US$1.7 billion.

Outlook:

• Statoil is reducing organic capital expenditure from US$14.7 billion in 2015 to around US$13 billion in 2016. It has improved its portfolio of non-sanctioned projects with planned start-up by 2022, reducing the average break-even oil price from US$70 in 2013 to US$41 in 2016.

• Statoil intends to continue to mature its large portfolio of exploration assets and estimates a total exploration activity level of around US$2 billion for 2016, excluding signature bonuses.

• Statoil expects to deliver efficiency improvements with pre-tax cash flow effects of around US$2.5 billion from 2016. Statoil's ambition is to keep the unit of production cost in the top quartile of its peer group.

• For the period 2014 to 2017, organic production growth is expected to be approximately 1%.

• The equity production for 2016 is estimated to be somewhat lower than the 2015 level due to Statoil's value over volume-approach.

• Scheduled maintenance is estimated to reduce quarterly production by approximately 55 mboe/day in Q2 2016. In total, maintenance is estimated to reduce equity production by around 60 mboe/day for the full fiscal year 2016, which is higher than the 2015 impact.

• Indicative effects from Production Sharing Agreement and US royalties are estimated to be around 135 mboe/day in 2016 based on an oil price of US$40/barrel and 165 mboe/day based on an oil price of US$70/barrel.

• Deferral of production to create future value, gas off-take, timing of new capacity coming on stream and operational regularity represent the most significant risks related to the production guidance.

Note: page 92 has been redacted in full as all content is non-responsive to the request.
Title: Statoil Baccalieu F-89 Exploration Well

Issue: Preliminary results of the well evaluation are presented

Background:
- Statoil Canada Limited (operator and 100% working interest owner) spud the Baccalieu F-89 well on March 19, 2016 using the semi-submersible, West Hercules on contract from Seadrill Ltd. The operator drilled the top hole section of the well and then mobilized to the Bay de Loup M-62 well to complete the main hole drilling at that location prior to returning to drill main hole at this location.

- Statoil acquired Exploration License (EL) 1143 in the 2015 licencing round, Call for Bids NL15-01EN, for a work commitment bid of $423,189,945.

- The Baccalieu F-89 well was drilled in the Flemish pass basin, in about 1146 m of water depth. This EL is located approximately 487 km east of St. John’s and approximately 16 km east of Bay du Nord (See Attachment I).

NOTE: Information used in this information note has been submitted to the Canada-Newfoundland and Labrador Offshore Petroleum Board by the Operator on a confidential basis and, pursuant to section 115 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act, is privileged and must not knowingly be disclosed.
Action Being Taken:
- Statoil is currently conducting a comprehensive analysis of the test results and hydrocarbon samples recovered from the Baccalieu F-89 well. Department staff will liaise with C-NLOPB staff as further updates become available.

Prepared/Approved by: J. Agbakwuru, K. Hynes, W. Foote/
Ministerial Approval: Received from Hon.

May 19, 2016
Attachment I: Map Showing Location of Baccalieu F-89 well
Meeting Note
Department of Natural Resources
Newfoundland and Labrador Offshore Industries Association (NOIA)
June 16, 2016
Minister’s Board Room

Attendees:  
NOIA:
Ray Collins, Chair
Andrew Bell, Vice-chair (Tentative)
Liam O’Shea, Treasurer
Bob Cadigan, President & CEO
Byron Sparkes, Senior Policy Advisor

NL:
Minister Siobhan Coady
Charles Bown
Tracy English

Purpose of Meeting:

• NOIA has proposed a number of issues for this meeting, as noted below.

Background:

• NOIA was founded in 1977 and is the largest offshore oil and gas industry association in Canada with over 600 members. NOIA promotes the development of East Coast Canada’s hydrocarbon resources and facilitates member participation in global oil and gas industries.

• NOIA is a member-directed association and is governed by an elected volunteer Board of Directors, which provides strategic direction to the Association's professional staff. The current Board was elected at its Annual General Meeting in February 2016 and includes twelve members. The current chair of the NOIA Board is Raymond Collins.

• NOIA membership includes: petroleum companies, trade associations and government bodies at the municipal, provincial and federal levels.

Note: Pages 97-99 have been redacted in full as all content is non-responsive to the request.
Potential Agenda item #4 – Statoil’s recent announcement regarding its drilling campaign

- On June 10, 2016, Statoil announced that it had finalized its 19-month exploration drilling program offshore NL which was designed to increase the robustness of the Bay du Nord project and to test new areas of the Flemish Pass Basin.

- The drilling program included four exploration wells in the vicinity of the Bay du Nord discovery, as well as three appraisal wells on the discover. Additionally, two exploration wells were drilled in areas outside of the Bay du Nord discovery.

- The drilling program resulted in two discoveries of oil at the Bay de Verde and Baccalieu prospects in the Bay du Nord area which add to the resource base for a potential development at Bay du Nord.

- The appraisal wells on Bay du Nord confirmed that the volumes are within the original volume range of 300-600 million barrels of recoverable oil, but potentially at the lower end of this range.

- Statoil stated that it was encouraged by results of the drilling program and that based upon the improved understanding of the Flemish Pass petroleum system, it was “maturing further prospects that may add volumes to Bay du Nord” and that the NL offshore “remains a core exploration area for Statoil.”

- NOIA may ask for an update on Statoil’s plans and engagement with the province.

Analysis: S. 29(1)(a), S. 35(1)(f)

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1) Pages 101-102 have been redacted in full. Some content has been withheld under sections 29(1)(a), 35(1)(f), 35(1)(g); the remainder is non-responsive to the request.
2) Page 103 has been redacted in full as all content is non-responsive to the request.
3) Page 104 has been redacted in full under sections 29(1)(a) and 35(1)(f).
Meeting Note
Department of Natural Resources
Chevron
June 30, 2016
8:00 am
Premier’s Boardroom

Attendees:  Chevrolet:
                Jeff Gustavson, President, Chevron Canada
                Mark MacLeod, Vice President, Atlantic Canada, Chevron Canada
                See Attachment 1 for biographies.

                NL Attendees:
                Premier Dwight Ball
                Minister Siobhan Coady
                Charles Bown

Purpose of Meeting:

Background:

• Chevron is a large integrated energy company based out of the United States headquartered in
  San Ramon, California. Chevron is engaged in oil and gas exploration and production,
  transportation, refining, marketing along with other business in chemicals manufacturing and
  sales, geothermal energy, power generation and mining as well as renewables and advanced
  technologies.

• In Canada, Chevron has been involved in finding, producing and refining crude oil and natural
  gas and energy delivery for more than 80 years. Chevron operates two independent
  subsidiaries in Canada: Chevron Canada Resources and Chevron Canada Limited (Products
  Division).

• Chevron Canada Resources employs approximately 500 people. The company explores for,
  develops, produces and markets crude oil, natural gas and natural gas liquids. It is
  headquartered in Calgary and also has an office in St. John’s. The company has interests in oil
  sands projects and shale gas acreage in Alberta; exploration, development and production
  projects in offshore Newfoundland and Labrador; a liquefied natural gas project and shale
  acreage in British Columbia; and exploration and discovered resource interests in the Beaufort
  Sea region of the Northwest Territories. The company employs approximately 500 people.

• Chevron Canada Limited (Products Division) is headquartered in Vancouver, British Columbia
  and is multi-faceted with a refinery, retail network as well as commercial and industrial
  operations. It manages Chevron retail and commercial fueling network operations across B.C,
  lubricants distribution across Canada, as well as commercial cardlocks in Edmonton and
  Calgary. It employs over 350 people, in addition to over 2,500 indirect employees in its retail
  and commercial networks.

• Chevron’s 2015 total revenue was US$138.5 billion, down from US$212.0 billion for 2014.
  Statoil had net earnings of US$4.6 billion, down from US$19.2 billion from 2014. The lower
  results were primarily due to reduced upstream earnings that were actually negative for 2015.
Chevron expects its 2016 capital expenditures to be around $25 billion (down from US$34 billion in 2015) and between $17 billion to $22 billion for the 2017 to 2018 period. Attachment 3 includes an overview of Chevron’s 2015 financial and operational results.

Potential Agenda Item #2 – Chevron’s NL Offshore Interests and Potential Activities

- May wish to discuss Chevron's interests and any planned/potential activities in the NL offshore.

Analysis:

- Chevron has working interest in three producing projects in the NL offshore including Hibernia (26.875%), Hibernia South (23.7632%) and Terra Nova (1.0%). As well, Chevron has a 29.596% working interest in the Hebron project scheduled to start production in 2017.

- Chevron, along with its partners, also has interest in three exploration licences in the Flemish Pass Basin offshore area that are adjacent to the Statoil (and partners) discovery areas. Two of these licences were acquired in the 2011 licencing round and the third was acquired in 2015. The total bid working interest of these three licences is approximately $391 million.

- Chevron Canada’s offshore Newfoundland and Labrador interests and royalty payments are outlined in Attachment 2.
The C-NLOPB’s 2016 Call for Bids includes thirteen land parcels available in the Eastern Newfoundland region including parcels in the Flemish Pass Basin and Orphan Basin. As well, the 2016 Call for Bids includes 3 parcels available in the Jeanne d’Arc Basin. The Call for Bids closes on November 9, 2016.

Potential Speaking Points:

- The Premier may wish to: S. 29(1)(a), S. 35(1)(f)

Note: page 108-109 have been redacted in full as all content is non-responsive to the request.
Attachment 2

Chevron Land Holdings and Working Interests in NL:

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Working Interest</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia - PL 1001&lt;sup&gt;1&lt;/sup&gt;</td>
<td>26.875%</td>
<td>Jeanne d’Arc Basin</td>
</tr>
<tr>
<td>Hibernia South - Unitized</td>
<td>23.7632%</td>
<td>Jeanne d’Arc Basin</td>
</tr>
<tr>
<td>Terra Nova - PL 1002, PL 1003, PL 1004</td>
<td>1.0%</td>
<td>Jeanne d’Arc Basin</td>
</tr>
<tr>
<td>Hebron - Various SDLs</td>
<td>29.596%</td>
<td>Jeanne d’Arc Basin</td>
</tr>
<tr>
<td>Various interests in several other ELs &amp; SDLs</td>
<td></td>
<td>Jeanne d’Arc Basin, Flemish Pass Basin and Offshore Labrador</td>
</tr>
</tbody>
</table>

1. PL - production licence; SDL - significant discovery licence; EL - exploration licence.

Chevron Exploration Licence Land Parcels from 2011 and 2015 Call for Bids (Flemish Pass):

<table>
<thead>
<tr>
<th>Licence</th>
<th>Call for Bids Year</th>
<th>Interest Holders</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1125</td>
<td>2011</td>
<td>Chevron Canada Ltd. (40%) Statoil Canada Ltd. (40%)</td>
<td>01/15/2012</td>
<td>01/15/2021 [01/15/2018]</td>
<td>$202.17</td>
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<td></td>
<td>BG International Ltd. (10%) BP Canada Energy Group (10%)</td>
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</tr>
<tr>
<td>EL 1126</td>
<td>2011</td>
<td>Chevron Canada Ltd. (40%) Statoil Canada Ltd. (40%)</td>
<td>01/15/2012</td>
<td>01/15/2021 [01/15/2018]</td>
<td>$145.60</td>
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<td>BG International Ltd. (10%) BP Canada Energy Group (10%)</td>
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<tr>
<td>EL 1140</td>
<td>2015</td>
<td>Chevron Canada Ltd. (35%) Statoil Canada Ltd. (35%)</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$43.18</td>
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<td></td>
<td></td>
<td>BG International Ltd. (30%)</td>
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NL Cumulative Royalties<sup>1</sup> Paid from Projects with Chevron Interest (Million $) (CONFIDENTIAL, NOT FOR REDISTRIBUTION)

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to April 30, 2016)</th>
<th>Chevron (to April 30, 2016)</th>
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<tr>
<td>Hibernia - PL1001 (from Nov 1997)</td>
<td>$9,736</td>
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<tr>
<td>Hibernia South - PL1005/EL1093 (from June 2011)</td>
<td>$17.7</td>
<td></td>
</tr>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,644</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$15,397.7</td>
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</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.

S. 39(2)
Potential copyright material

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Attachment 3 – Chevron Financial & Operational Results

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<tbody>
<tr>
<td>Revenue $</td>
<td>Million US$</td>
<td>$29,247</td>
<td>$46,088</td>
<td>$138,477</td>
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<tr>
<td>Net Earnings/Income</td>
<td>Million US$</td>
<td>($588)</td>
<td>$3,471</td>
<td>$4,587</td>
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<tr>
<td>Upstream</td>
<td>Million US$</td>
<td>($1,361)</td>
<td>$2,673</td>
<td>($1,961)</td>
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<tr>
<td>Downstream</td>
<td>Million US$</td>
<td>$1,011</td>
<td>$1,518</td>
<td>$7,601</td>
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<tr>
<td>All Other $</td>
<td>Million US$</td>
<td>($238)</td>
<td>($720)</td>
<td>($1,053)</td>
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<tr>
<td>Earnings per Share $</td>
<td>US$</td>
<td>($0.31)</td>
<td>$1.85</td>
<td>$2.45</td>
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<tr>
<td>Cash Flow from Operations</td>
<td>Billion US$</td>
<td>$4.6</td>
<td>$6.5</td>
<td>$19.5</td>
</tr>
<tr>
<td>Total Assets $</td>
<td>Million US$</td>
<td>$266,103</td>
<td>$266,026</td>
<td>YTD same as Q4</td>
</tr>
<tr>
<td>Total Liabilities $</td>
<td>Million US$</td>
<td>$113,387</td>
<td>$110,998</td>
<td>YTD same as Q4</td>
</tr>
<tr>
<td>Total Shareholders' Equity $</td>
<td>Million US$</td>
<td>$152,716</td>
<td>$155,028</td>
<td>YTD same as Q4</td>
</tr>
<tr>
<td>Capital &amp; Exploratory Expenditures</td>
<td>Million US$</td>
<td>$8,707</td>
<td>$11,290</td>
<td>$33,979</td>
</tr>
<tr>
<td>Upstream</td>
<td>Million US$</td>
<td>$7,774</td>
<td>$10,254</td>
<td>$31,117</td>
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<tr>
<td>Downstream</td>
<td>Million US$</td>
<td>$756</td>
<td>$823</td>
<td>$2,436</td>
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<tr>
<td>Other</td>
<td>Million US$</td>
<td>$177</td>
<td>$213</td>
<td>$426</td>
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<table>
<thead>
<tr>
<th>Operations:</th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Upstream Production $</td>
<td>1000 boe/day</td>
<td>2,673</td>
<td>2,582</td>
<td>2,622</td>
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<tr>
<td>Refinery Input</td>
<td>1000 bbls/day</td>
<td>1.699</td>
<td>1.749</td>
<td>1.702</td>
</tr>
</tbody>
</table>

1. Total revenues and other income.
2. Includes mining activities, power and energy services, worldwide cash management and debt, financing activities, corporate administrative functions, insurance operation, real estate activities and technology companies.
3. As of the end of the quarter.
4. Total Liabilities shown in table were calculated by subtracting total shareholder’s equity from total assets.
5. Oil-equivalent production is the sum of net liquids production, net gas production and synthetic production.
6. Numbers may not sum to totals due to rounding.

Financial/Operations Discussion:

- Year-ended 2015 net earnings were lower compared to year-ended 2014 due to lower realizations in the upstream, asset sales, impairments and suspensions. This was partially offset by foreign exchange effects, upstream liftings, lower upstream operating costs, higher downstream margins and lower tax effects.

- Upstream production was 2.67 mmboe/d in Q4 2015, up from 2.58 mmboe/d in Q4 2014. Production for the full year 2015 was 2.62 mmboe/d representing an increase of 2% from 2014 and within the range of the production guidance for the year. Production increases from project ramp-ups in the United States and Bangladesh, and production entitlement effects in several locations, were partially offset by the Partitioned Zone shut-in and normal field declines for both comparative periods.

- Capital and exploratory expenditures in 2015 were $34.0 billion, compared with $40.3 billion in 2014. Expenditures for upstream represented 92% of the companywide total in 2015. Operating expenses and capital spending were reduced $9 billion (~12% decline) in 2015 from 2014.

- Capital and exploratory expenditures in Q1 2016 was $6.5 billion, compared with $8.6 billion in the Q1 2015. Expenditures for upstream represented 92% of the companywide total in Q1 2016. Chevron expects its 2016 capital expenditures to be $25 billion and plan to spend between $17 billion and $22 billion for 2017-2018.

- Asset sales proceeds were $6 billion in 2015. In 2016, Chevron expects $5-$10 billion in asset sales. Current assets on the market include New Zealand downstream, Hawaii refinery, Gulf of Mexico shelf assets, Western Canada gas storage facilities and South Africa downstream.
• In Q2 2016, Chevron expects the sale of its KLM pipeline in the U.S., two Western gas storage facilitates, 19 fields in the Gulf of Mexico and New Zealand marketing assets. Currently in progress of being sold is Chevron’s Hawaii downstream assets. Under consideration for asset sale are Myanmar upstream assets, South Africa downstream and Asian Geothermal assets.

• Chevron added approximately 1.02 billion boe/day proved reserves in 2015. These additions, which are subject to final reviews, equate to approximately 107% of net oil-equivalent production for the year. The largest additions were from production entitlement effects in several locations and drilling results for the Permian Basin in the United States and the Wheatstone Project in Australia.

• Chevron expects 2016 production growth to be in the range of 0%-4% due to uncertainties in the Partitioned Zone restart, major capital project start-ups and ramp-ups timing, divestiture timing, price effects and spend levels.

• In 2016, Chevron has continued to lower its cost structure with better pricing, work flow efficiencies and matching its organizational size to expected future activity levels. Chevron’s capital spending is also coming down and it is moving focus to high-return, shorter-cycle projects and pacing longer-cycle investments. Examples of cost reductions include:
  o Since the end of 2014, Chevron has reduced its workforce by approximately 4,000. By the end of 2016, Chevron is on target to reduce its workforce by approximately 8,000 compared to end of 2014.
  o From 2014 levels, Chevron has reduced its contract positions by approximately 6,500.
  o Chevron continues to implement efficiency gains on logistics and drilling and strategic supplier engagement.

• In 2015, Chevron’s operating costs were reduced by $2 billion from 2014 costs. Chevron plans a further $2 billion reduction in operating costs by assess procurement contracts, efficiency improvements and decreased payroll spending by right sizing the organization.

Note: page 114 has been redacted in full under sections 29(1)(a) and 35(1)(f).
Meeting Note  
Department of Natural Resources  
Husky Energy  
August 4, 2016  
2:30 PM

Attendees:  
Husky Energy  
Malcolm Maclean, Senior Vice President, Atlantic Region  
Biography included in Attachment 1

NR:  
Minister Siobhan Coady  
Charles Bown  
Paul Carter

Purpose of Meeting:  
- No formal meeting agenda has been provided although officials may wish to discuss:

Background:  
- Husky Energy is a Canadian energy company headquartered in Calgary. Husky operates in Western and Eastern Canada along with international interests including in the US, China, Indonesia and Greenland.

- Husky Energy has a significant presence in the NL offshore with interest in three producing fields: Terra Nova (13%); White Rose (72.5%); White Rose Expansion (68.875%) as well as interests in 6 Exploration Licences and 50 Significant Discovery Licences. Statoil (65%) and Husky Energy (35%) are the interest holders in the Flemish Pass Bay du Nord project. Attachment 2 includes information on Husky’s NL offshore licence interests and royalty payments to date.

- A summary of Husky’s recent financial and operational results are included in Attachment 3.
Attachment 2 – Husky Energy NL Offshore Interests and Royalty Payments to Date

**Husky Energy Land Holdings and Working Interests in NL:**

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Working Interest</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova - PL1002, PL1003 &amp; PL1004</td>
<td>13.0%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
</tr>
<tr>
<td>White Rose - PL1006, PL1007 &amp; PL1010</td>
<td>72.5%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
</tr>
<tr>
<td>White Rose Expansion - Various Licences</td>
<td>68.875%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
</tr>
<tr>
<td>Flemish Pass Basin Discoveries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mizzen (SDLs 1047 &amp; 1048)</td>
<td>35.0%</td>
<td>Grand Banks Region (Flemish Pass Basin)</td>
</tr>
<tr>
<td>Bay du Nord (EL 1112)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harpoon (ELs 1112 &amp; 1124)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bay du Verde (EL 1112)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Baccalieu (EL 1112)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Various interests in other ELs and SDLs</td>
<td></td>
<td>Grand Banks Region and Labrador Offshore Region</td>
</tr>
</tbody>
</table>

1. PL – Production Licence; SDL – Significant Discovery Licence; EL – Exploration Licence.

**Location of Statoil/Husky Energy Discoveries in Flemish Pass Basin Area:**

![Map of Flemish Pass Basin Discoveries](image)

**NL Cumulative Royalties\(^1\) Paid from Projects with Husky Energy Interest (Million $) (CONFIDENTIAL, NOT FOR REDISTRIBUTION)**

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to May 31, 2016)</th>
<th>Husky Energy (to May 31, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$5,657</td>
<td></td>
</tr>
<tr>
<td>White Rose (from Dec 2005)</td>
<td>$3,068</td>
<td></td>
</tr>
<tr>
<td>North Amethyst (from May 2010)</td>
<td>$273</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$8,998</td>
<td></td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.

S. 39(2)
Attachment 3 – Recent Husky Energy Financial & Operational Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue†</td>
<td>Million C$</td>
<td>$3,243</td>
<td>$4,570</td>
<td>$5,923</td>
</tr>
<tr>
<td>Net Earnings/Income</td>
<td>Million C$</td>
<td>(196)</td>
<td>120</td>
<td>(654)</td>
</tr>
<tr>
<td>Basic Earnings per Share</td>
<td>C$</td>
<td>($0.20)</td>
<td>0.11</td>
<td>($0.67)</td>
</tr>
<tr>
<td>Cash flow from Operations</td>
<td>Million C$</td>
<td>488</td>
<td>1,177</td>
<td>922</td>
</tr>
<tr>
<td>Total Assets‡</td>
<td>Million C$</td>
<td>30,978</td>
<td>38,482</td>
<td>Same as</td>
</tr>
<tr>
<td>Total Liabilities‡</td>
<td>Million C$</td>
<td>15,063</td>
<td>17,618</td>
<td>Q2</td>
</tr>
<tr>
<td>Total Shareholders' Equity‡</td>
<td>Million C$</td>
<td>15,915</td>
<td>20,864</td>
<td>Q2</td>
</tr>
<tr>
<td>Total Capital Expenditures§</td>
<td>Million C$</td>
<td>595</td>
<td>727</td>
<td>1,005</td>
</tr>
<tr>
<td>Atlantic Region Exploration</td>
<td>Million C$</td>
<td>$8</td>
<td>44</td>
<td>$19</td>
</tr>
<tr>
<td>Atlantic Region Development</td>
<td>Million C$</td>
<td>$87</td>
<td>103</td>
<td>$104</td>
</tr>
<tr>
<td>Netback Analysis-Atlantic Region</td>
<td>C$/boe</td>
<td>61.83</td>
<td>79.25</td>
<td>55.30</td>
</tr>
<tr>
<td>Price received</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Royalties</td>
<td>C$/boe</td>
<td>10.44</td>
<td>10.55</td>
<td>7.71</td>
</tr>
<tr>
<td>Operating costs§</td>
<td>C$/boe</td>
<td>20.27</td>
<td>19.20</td>
<td>16.92</td>
</tr>
<tr>
<td>Transportation</td>
<td>C$/boe</td>
<td>2.57</td>
<td>2.69</td>
<td>2.52</td>
</tr>
<tr>
<td>Operating netback</td>
<td>C$/boe</td>
<td>28.55</td>
<td>46.81</td>
<td>28.15</td>
</tr>
</tbody>
</table>

| Operations:                            |          |          |           |           |
| Upstream Production                    | 1,000 boe/day | 315.8   | 359.6     | 328.6     | 346.4     |
| White Rose and Satellite Fields        | 1,000 boe/day | 30.9    | 35.2      | 33.5      | 31.8      |
| Terra Nova                             | 1,000 boe/day | 1.8     | 8.2       | 3.1       | 5.4       |
| Refinery & Upgrader Throughput         | 1,000 boe/day | 255.3   | 343.6     | 284.3     | 309.4     |

1. Represents gross revenue.
2. As at the end of each quarter.
3. Excludes capitalized costs related to asset retirement obligations and capitalized incurred during the period.
4. Operating costs exclude accretion, which is included in administration expenses and other.
5. boe represent barrels of oil equivalent.
6. YTD reporting period includes the six months from January 1 to June 30 inclusive.
7. Numbers may not sum due to rounding.

**N德 Discussion:**

- Husky has secured the Henry Goodrich drilling rig for a two-year drilling program which will focus on development drilling at the White Rose field and satellite extensions. Currently, the rig has been conducting drilling operations at a Hibernia formation production well at North Amethyst (Husky did not comment on the recent suspension of rig drilling activities due to the unauthorized discharge of hydraulic fluid on July 15, 2016). First oil from the well is expected in Q3 2016 and produce 5,000 barrels/day (net to Husky) at peak.

- Husky continues to assess potential development options for the West White Rose satellite extension, a fixed wellhead platform and a subsea option. During the question and answer period, an analyst asked about when a decision would be made on the project. Husky stated that in the current reduced price environment they are reengineering and studying their options.

- A six-week turnaround was conducted at the Terra Nova FPSO vessel in Q2 2016.

- A three-week turnaround has been ongoing at the Sea Rose FPSO, with net impacts expected to be approximately 8,000 barrels/day averaged over Q3 2016.

- In the Flemish Pass Basin, an exploration and appraisal program on the Bay du Nord discovery area has been concluded. Since Q4 2014, Husky has participated in three appraisal and four exploration wells, leading to two new oil discoveries at Bay de Verde and Baccalieu and two unsuccessful wells at Bay d'Espoir and Bay du Loup. The two new discoveries will add to the resource base for a potential development at Bay du Nord. Husky and Statoil continue to evaluate the drilling results and assess the commercial potential. Husky indicated that the resource range is within 300 to 600 million barrels set by Statoil and they are currently in discussion with their partner on the next steps.
• Average net production in the Atlantic region for Q2 2016 was about 32,700 barrels/day which takes into account a six-week turnaround at the Terra Nova FPSO.

• Royalty rates (as a percentage of gross revenues) for the Atlantic Region averaged 17% in Q2 2016 compared to 13% in Q2 2015 primarily due to lower eligible royalty costs and a prior period adjustment. Royalty rates for the Atlantic Region averaged 14% in YTD 2016 and 2015 as lower production volumes and crude oil prices were offset by the same factors in Q2 2016.

• Operating netbacks (realized price less royalties, operating costs and transportation on a per unit basis) for the Atlantic region for Q2 and YTD 2016 were lower primarily due to lower realized prices. As well, unit operating costs in the Atlantic Region were higher due to higher subsea maintenance costs. YTD 2016 unit operating costs were higher due to the same factors which impacted Q2 2016 combined with higher logistic costs.

• For YTD (year to date) 2016, capital expenditures (exploration and development costs) in the Atlantic region decreased to $123 million compared to $334 million for comparable YTD 2015 due to reduced drilling days in the Flemish Pass Basin and White Rose extension projects. Capital expenditures in 2016 were related primarily to White Rose extension projects and further exploration and appraisal in and around the Bay du Nord discovery.

**Financial/Operations Discussion:**

• Husky reported a net loss of $196 million in Q2 2016 compared to net earnings of $120 in Q2 2015 due to after-tax loss from disposition of oil and natural gas assets in Western Canada; an after-tax property impairment; exploration and evaluation asset write-downs; lower realized crude oil and North American natural gas prices; lower U.S. refining throughput and sales volumes; and lower natural gas and liquids NGLs production from the Asia Pacific Region. This was partially offset by lower operating costs, royalties and depletion, depreciation and amortization, an increase in production volumes from heavy oil thermal developments, a deferred tax expense of $157 million recognized Q2 2015 and a weaker Canadian dollar.

• Production was lower in Q2 2016 at 315.8 thousand boe/day compared to 336.9 thousand boe/day in Q2 2015 reflecting planned turnarounds, Sunrise production interruption due to the Fort McMurray wildfires, natural reservoir declines in Western Canada and the Atlantic Region and reduced volumes from the Liwan Gas Project. This was partially offset by new production (Rush Lake, Edam East and South White Rose extension), production ramp-up from the Sunrise Energy Project and strong production from the Tucker Thermal Project.

• Production guidance for 2016 is expected to be at the lower end of the 314 to 345 thousand boe/day range due to production impacts from select asset dispositions in Western Canada and lower production from the Liwan Gas Project. This is expected to be partially offset by strong performance from heavy oil thermal developments.

• Total capital expenditure was lower in Q2 2016 at $595 million compared to $727 million in Q2 2015. Upstream exploration and production capital expenditures were lower in Q2 2016 at $250 million compared to $571 million in Q2 2015 and reflected Husky's capital management in a low commodity price environment. In addition, Husky's total exploration and evaluation expenses in Q2 2016 were higher at $76 million compared to $43 million in Q2 2015 primarily due to two unsuccessful exploration wells drilled in the Flemish Pass Basin which did not encounter economic quantities of hydrocarbons and were expensed in Q2 2016.

**Other Discussion:**

• On July 21, 2016, Husky said that a leak from one of its pipelines spilled about 200,000 litres of heavy oil mixed with a thinning chemical into the North Saskatchewan River near Lloydminster. Husky activated an emergency response team and berms are being used to contain the spill. Husky said the company is continuing to work closely with authorities and area municipalities.

Note: pages 123-124 have been redacted in full as all content is non-responsive to the request.
Meeting Note
Department of Natural Resources
Suncor Energy
August 23, 2016
9:00 am
Premier’s Boardroom

Attendees:
Suncor Energy:
Brent Janke Vice President, East Coast
John Downton, Manager, Communications and Stakeholder Relations
(Biographies included in Attachment 1)

NL:
Premier Dwight Ball

Purpose of Meeting:

- Suncor will likely raise the following topics:
  - S. 29(1)(a), S. 35(1)(f)
  - On April 15, 2016, Brent Janke met with the Minister of Natural Resources to discuss issues identified above. This meeting is aimed at furthering this ongoing discussion.

Background:

- Suncor Energy is a Canadian-based energy company established in 1967 and headquartered in Calgary. On August 1, 2009, Suncor Energy and Petro-Canada merged under the Suncor Energy name. The Petro-Canada brand was retained for downstream product distribution and marketing.

- Suncor Energy’s business interests include: oil sands extraction and upgrading in western Canada; North American onshore oil and gas; international & offshore petroleum (North Sea, East Coast Canada, Libya and Syria); downstream operations in Canada & U.S., and, renewable energy and ethanol.

- Suncor Energy has a significant presence in the NL offshore.
  - Interest in all currently producing projects/fields: Hibernia (20%); HSE (19.1315%); Terra Nova (37.675%); White Rose (27.5%); White Rose Expansion (26.125%).
  - A partner in the Hebron project (21.034%).
  - Interest in 3 Exploration Licences and 51 Significant Discovery Licences. See Attachment 2 for an overview of Suncor’s project/licence interests and royalties. S. 39(2)

- Suncor’s latest financial/operational results and 2016 capital guidance is in Attachment 3.

1) Pages 126-127 have been redacted in full. Some content has been withheld under sections 29(1)(a) and 35(1)(f); the remainder is non-responsive to the request.
2) Pages 128-133 have been redacted in full as all content is non-responsive to the request.
Attachment 2 – Suncor Energy Land Holdings in NL and Project Royalties

**Suncor Energy Land Holdings and Working Interests in NL Offshore:**

<table>
<thead>
<tr>
<th>Project/Prospect</th>
<th>Interest</th>
<th>Location</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hibernia PL 1001</td>
<td>20.0%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Hibernia Southern Extension (HSE) PL 1001</td>
<td>19.1315%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>PL 1005</td>
<td>18.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL 1011</td>
<td>22.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Terra Nova PL 1002, PL 1003, PL 1004</td>
<td>37.675%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td>Operator</td>
</tr>
<tr>
<td>White Rose PL 1006, PL 1007 &amp; PL 1010</td>
<td>27.5%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>White Rose Expansion Various Licences</td>
<td>26.125%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Hebron Various SDLs</td>
<td>21.034%</td>
<td>Grand Banks Region (Jeanne d’Arc Basin)</td>
<td></td>
</tr>
<tr>
<td>Various interests in other ELs (see table below) and SDLs</td>
<td></td>
<td>Grand Banks Region (Jeanne d’Arc, Flemish Pass, Carson); Labrador Offshore Region</td>
<td></td>
</tr>
</tbody>
</table>

1. PL - production licence; SDL - significant discovery licence; EL - exploration licence.

**Suncor Energy Exploration Licence Parcels from 2012 and 2013 Call for Bids:**

<table>
<thead>
<tr>
<th>Licence/Location</th>
<th>Interest Holders</th>
<th>Call for Bids Year</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (Million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1135/ Flemish Pass</td>
<td>ExxonMobil Canada Ltd. (40%) ConocoPhillips Canada NL Partnership (30%) Suncor Energy Offshore Exploration Partnership (30%)</td>
<td>2013</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$559.0</td>
</tr>
<tr>
<td>EL 1136/ Carson Basin (SE NL Offshore)</td>
<td>ExxonMobil Canada Ltd. (50%) Suncor Energy Offshore Exploration Partnership (50%)</td>
<td>2013</td>
<td>01/15/2015</td>
<td>01/15/2024 [01/15/2021]</td>
<td>$21.0</td>
</tr>
<tr>
<td>EL 1134/ Flemish Pass</td>
<td>Husky Oil Operations Ltd (65%) Suncor Energy (35%)</td>
<td>2012</td>
<td>01/15/2013</td>
<td>01/15/2022 [01/15/2019]</td>
<td>$19.9</td>
</tr>
</tbody>
</table>

**NL Cumulative Royalties**

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Project (to May 31, 2016)</th>
<th>Suncor Energy (to May 31, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terra Nova (from Feb 2002)</td>
<td>$6,657</td>
<td></td>
</tr>
<tr>
<td>Hibernia PL 1001 (from Nov 1997)</td>
<td>$9,742</td>
<td></td>
</tr>
<tr>
<td>HSE (from June 2011)</td>
<td>$19.9</td>
<td></td>
</tr>
<tr>
<td>White Rose (from Dec 2005)</td>
<td>$3,068</td>
<td></td>
</tr>
<tr>
<td>North Amethyst (from May 2010)</td>
<td>$273</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,759.9</strong></td>
<td><strong>$18,759.9</strong></td>
</tr>
</tbody>
</table>

1. Cumulative royalties include preliminary data that is subject to revision.

Note: page 135 has been removed as it is an exact duplicate of page 36.
Attachment 3 – Latest Suncor Energy Financial & Operational Indicators

<table>
<thead>
<tr>
<th>Financial:</th>
<th>Q2 2016</th>
<th>Q2 2015</th>
<th>YTD 2016a</th>
<th>YTD 2015b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue1 Million C$</td>
<td>$5,914</td>
<td>$8,095</td>
<td>$11,558</td>
<td>$15,224</td>
</tr>
<tr>
<td>Net Earnings/Income Million C$</td>
<td>($735)</td>
<td>$729</td>
<td>($478)</td>
<td>$388</td>
</tr>
<tr>
<td>Net Earnings per Share (basic) C$</td>
<td>($0.46)</td>
<td>$0.50</td>
<td>($0.31)</td>
<td>$0.26</td>
</tr>
<tr>
<td>Cash Flow from Operations Million C$</td>
<td>$916</td>
<td>$2,155</td>
<td>$1,598</td>
<td>$3,630</td>
</tr>
<tr>
<td>Return on Capital Employed4</td>
<td>(4.9%)</td>
<td>7.2%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Assets3 Million C$</td>
<td>$88,786</td>
<td>$80,658</td>
<td>Same as Q2 2016</td>
<td>Same as Q2 2015</td>
</tr>
<tr>
<td>Total Liabilities3 Million C$</td>
<td>$44,333</td>
<td>$39,043</td>
<td>Same as Q2 2016</td>
<td>Same as Q2 2015</td>
</tr>
<tr>
<td>Total Shareholders’ Equity3 Million C$</td>
<td>$44,453</td>
<td>$41,615</td>
<td>Same as Q2 2016</td>
<td>Same as Q2 2015</td>
</tr>
<tr>
<td>Capital and Exploration Expenditures4 Million C$</td>
<td>$1,761</td>
<td>$1,575</td>
<td>$3,317</td>
<td>$2,901</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Netbacks-Continuing Operations</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>East Coast Canada</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average price realized C$/bbl</td>
<td>$62.39</td>
<td>$78.23</td>
<td>$53.19</td>
<td>$71.10</td>
</tr>
<tr>
<td>Royalties C$/bbl</td>
<td>$11.06</td>
<td>$16.38</td>
<td>$7.91</td>
<td>$17.10</td>
</tr>
<tr>
<td>Transportation costs C$/bbl</td>
<td>$2.05</td>
<td>$1.73</td>
<td>$1.84</td>
<td>$1.74</td>
</tr>
<tr>
<td>Operating netback C$/bbl</td>
<td>$34.52</td>
<td>$43.49</td>
<td>$29.30</td>
<td>$39.87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operations:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Upstream Production 1000 boe/day</td>
<td>330.7</td>
<td>559.9</td>
<td>511.0</td>
<td>581.0</td>
</tr>
<tr>
<td>East Coast Canada</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Terra Nova 1000 boe/day</td>
<td>5.4</td>
<td>7.3</td>
<td>9.0</td>
<td>15.3</td>
</tr>
<tr>
<td>Hibernia 1000 boe/day</td>
<td>24.6</td>
<td>18.3</td>
<td>24.4</td>
<td>20.1</td>
</tr>
<tr>
<td>White Rose 1000 boe/day</td>
<td>11.7</td>
<td>11.4</td>
<td>12.7</td>
<td>12.0</td>
</tr>
<tr>
<td>Refinery Throughput 1000 boe/day</td>
<td>400.2</td>
<td>416.8</td>
<td>410.5</td>
<td>426.6</td>
</tr>
</tbody>
</table>

1. Operating revenues (net of royalties) including other income.
2. Excludes major projects in progress - for 12 month period ending.
3. As at end of the quarter.
5. YTD reporting period includes the six months from January 1 to June 30 inclusive.
6. Numbers may not sum to totals due to rounding.

Recent NL Related Discussion:

- Construction of the Hebron project continued in Q2 2016, with the utility process module being shipped from its construction site in South Korea on schedule. First oil from the project is expected in late 2017. Hebron is one Suncor’s largest growth projects. Effective January 1, 2016, working interests in the Hebron were reset with Suncor’s interest decreased from 22.729% to 21.034%.
- Suncor indicated that the combined capital expenditures for the Hebron and Fort Hills projects is $2.8 billion in 2016 and are both currently at peak capital expenditure spending. In 2017, capital expenditures are expected to drop to $0.8 to $1 billion and progressively less over the life of the projects. The capital expenditures from the reduced spend will significantly lower Suncor’s capital budget over the coming years, as the company does not plan on any new major projects currently.
- Suncor’s price realizations for production from East Coast Canada and International assets are influenced primarily by the price for Brent crude. Brent crude pricing decreased to an average of US$45.60/bbl in Q2 2016, compared to US$61.95/bbl in Q2 2015.
- The planned maintenance turnaround event at Terra Nova was completed within Q2 2016.
- In its previous reporting, Suncor indicated that, in part to achieve cost reductions, it has deferred some capital projects that have not yet been sanctioned, including the White Rose Extension.
Financial/Operations Discussion:

- Suncor recorded a net loss of $735 million in Q2 2016 compared to net earnings of $729 million in Q2 2015. Net earnings in Q2 2016 were negatively impacted by a decrease in oil sands production due to Alberta forest fires, a lower crude oil price environment, a higher share of Syncrude operating costs as well as some other operational and financial impacts. This was partially offset by lower operating costs (excluding acquisitions impacts), positive downstream realized margins, and additional production from Syncrude (due to the increased working interest) and increased production from Exploration & Production (E&P).

- Total capital and exploration expenditures was $1.621 billion (excludes capitalized interest on debt of $140 million) in Q2 2016. These Q2 2016 expenditures increased compared to Q2 2015 due to an increased ownership interest in both Fort Hills and Syncrude, partially offset by cost reductions and lower spending in E&P due to decreased development drilling.
  - Oil Sands: $1.15 billion ($632 million for growth capital; $518 million for sustaining capital)
  - E&P: $239 million ($236 million for growth capital; $3 million for sustaining capital)
  - Refining & Marketing: $231 million ($1 million for growth; $230 million for sustaining capital)
  - Corporate, Energy Trading and Elimination: $1 million (all for sustaining capital)

- Suncor’s total upstream production was lower in Q2 2016 compared with Q2 2015, due primarily to shutting in of production at oil sands operations and Syncrude as a result of the Alberta forest fires in the Fort McMurray region. This was partially offset by a higher working interest in Syncrude and increased E&P production. E&P Canada production was higher in Q2 2016 compared to Q2 2015 due to higher production at Hibernia with new wells being brought online subsequent to Q2 2015, partially offset by natural production declines at Terra Nova. Both quarters were impacted by planned maintenance.

2016 Capital and Production Guidance Summary

- Suncor’s capital guidance for 2016 is in a range of $6.0 to $6.5 billion revised from its previous range $6.7 to $7.3 billion. The reduction is mostly due to the deferral of Firebag planned maintenance to 2017. The capital spending reduction is not anticipated to impact near term production targets.

- Approximately 55% of the 2016 capital program has been allocated towards growth projects with a majority in the Upstream segment. Approximately 45% of 2016 capital is expected to be sustaining capital investments that support safe, reliable and efficient operations.

<table>
<thead>
<tr>
<th>Capital Expenditures (Million C$)¹</th>
<th>2016 Full Year Outlook</th>
<th>% of Growth Capital²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upstream</td>
<td>$6,000 - $6,500</td>
<td>55%</td>
</tr>
<tr>
<td>Downstream</td>
<td>$5,250 - $5,600</td>
<td>65%</td>
</tr>
<tr>
<td>Corporate</td>
<td>$700- $800</td>
<td>5%</td>
</tr>
<tr>
<td>Corporate</td>
<td>$50 - $100</td>
<td>5%</td>
</tr>
</tbody>
</table>

1. Capital expenditures exclude capitalized interest of $600 million to $700 million.
2. Growth capital expenditures include investments that increase production levels at existing Oil Sands operations, new facilities or operations that increase overall production, new infrastructure required to support higher production, new reserves or a positive change in the company’s reserves profile in E&P operations or margin improvement (by increasing revenues or reducing costs).

- Suncor’s 2016 upstream production guidance is expected to between 585,000 to 620,000 barrels of oil equivalent per day (boe/day). Refined product sales for 2016 are expected to be in a range of 510,000 to 550,000 barrels per day.

- Suncor’s 2016 outlook assumptions include: Brent (Sullom) at US$40/barrel; WTI (Cushing) at US$39/barrel; WCS (Hardisty) at US$26/barrel; and Cdn/US exchange rate at $0.75.

1) Page 138 has been redacted in full under sections 29(1)(a) and 35(1)(f).
2) Pages 139-140 have been redacted in full as all content is non-responsive to the request.
Title: Offshore Northern Seas (ONS) Conference and Exhibition, August 29 – September 1, 2016, Stavanger, Norway

Issue: Overview of show activity, results and outcomes.

Background and Current Status:
- ONS was established in 1974 as a non-profit organization by the Stavanger City Council, Statoil, the Stavanger Forum and the Norwegian Petroleum Society as a meeting place for industry to come together on a bi-annual basis to discuss topics related to offshore energy development.
Visitation at the booth was steady throughout the four days of the exhibition. The following points are worthy to note:

- Statoil’s Chairman of the Board, Mr. Oystein Loseth visited the booth (approx. 30 minutes) seeking information on [redacted]. The discussions were very positive, and he thanked us for taking the time to meet with him.

- Questions from visitors to the booth focused on two main areas: the results of Statoil’s drilling program in the Flemish Pass Basin [redacted]. It became obvious that NL exploration and development activity was of significant interest on the exhibition floor.

Note: page 143 has been redacted in full as all content is non-responsive to the request.
Approaches for Deepwater Oil and Gas Activity in Eastern Canada
Wednesday 31 August 2016
Venue: Lysefjorden B, Hall 1, ONS Venue

12:30 – 12:35  Session 1: Introductions
           Moderator: Andrew Macfarlane, ACOA
12:35 – 12:45  Welcome remarks
               Mr. Jon Skatteling, Regional Director, INTSOK
13:45 – 14:00  Opening address
               H.E. Artur Wilczynski, Canada’s Ambassador to Norway
14:00 – 14:20  Market Update: Newfoundland and Labrador
               Robert Cadigan, President and CEO, Newfoundland and Labrador Oil & Gas
               Industries Association (NOIA)
14:20 – 14:40  Prospects and opportunities: Newfoundland and Labrador
               Jim Keating, Executive Vice-President, Corporate Services and Offshore
               Development, Nalcor Energy
14:40 – 14:50  Networking / Coffee & tea break
14:50 – 15:10  Session 2: Introductions
               Moderator: David Keating, Canada Advisor, INTSOK
15:10 – 15:30  Prospects and opportunities: Nova Scotia
               Toby Keating, PhD, Director, Business and Technology, Nova Scotia Department
               of Energy
15:30 – 15:50  Doing Business in Canada / Law of the Sea
               Alexander (Sandy) Moodie, QC, Cox & Palmer Law Firm
15:50 – 16:10  Status updates: offshore Canada
               Graeme Synge, Vice President – Offshore Canada, Statoil
16:10 – 16:40  Concluding remarks and close of session

INTSOK
Meeting Note
Department of Natural Resources
Nexen Energy
November 16, 2016
9:00 a.m.
Minister’s Boardroom

Attendees:  Nexen Energy:
Sig Joiner, Vice President, Exploration & Appraisals, Americas
Darcie Park, Director, Government Relations Canada
[Biographies provided in Attachment 1]

NL:
Minister Siobhan Coady
Charles Bown, Deputy Minister
Lynn Sullivan, Assistant Deputy Minister
Wes Foote, Assistant Deputy Minister

Purpose of Meeting:
• This is a follow up meeting to June 2016. No formal meeting agenda has been provided.
Potential agenda items may include 1) Nexen Offshore Interests and Potential Activities in Newfoundland and Labrador
• Non-Responsive
• S. 29(1)(a), S. 35(1)(f)

Background:
• Nexen is an upstream oil and gas company involved in the development of energy resources in the UK North Sea, offshore West Africa, the United States and Canada. Its three principal business areas include conventional oil and gas, oil sands and shale gas/oil.
• Nexen is a wholly-owned subsidiary of CNOOC Limited. CNOOC acquired Nexen on February 25, 2013 for an estimated US$15 billion for all outstanding common and preferred shares. CNOOC is a subsidiary of the China National Offshore Oil Corporation holding a 64.44% interest. CNOOC is China’s largest offshore crude oil and natural gas producer and a significant global independent oil and gas exploration and production company.
• Nexen’s Canadian interests include:
  o Alberta: Interests in oil sands projects including its Long Lake facility as well as non-operating interests in the Syncrude Canada Ltd. mining and upgrading facility and the Hangingstone in-situ project.
  o British Columbia: Production of shale gas in northeast BC. Also involved in Aurora LNG joint venture project between Nexen and INPEX Gas British Columbia Ltd. Studying the feasibility of an LNG facility and marine terminal at Digby Island, west of Prince Rupert.
  o Yukon: Manages a 60% equity interest on behalf of CNOOC in Northern Cross (Yukon) Ltd., which owns oil and natural gas blocks in the Yukon Territory.
  o NL Offshore: Acquired an exploration licence in the NL offshore in January 2016 and submitted a successful bid in the CFB NL16-01(EN) that closed on November 9, 2016 (discussed further below).
• Nexen, as a wholly owned subsidiary of CNOOC, no longer appears to publicly report its own financial results and is likely included within CNOOC’s consolidated reporting.
For 2015, CNOOC reported approximately C$27.3 billion in revenue and US$3.2 billion in net earnings. CNOOC had US$106 billion in assets, US$44.3 billion in liabilities and US$61.4 billion in equity. (Currency conversion based on 2015 average of 6.28 Chinese yuan per 1 US$. CNOOC also reported production of 1.36 million barrels of oil equivalent per day and year end proved reserves of 4.3 billion barrels of oil equivalent.

For 2012, the last year before acquisition by CNOOC, Nexen reported C$6.7 billion of revenue and C$333 million in net earnings. As well in 2012, Nexen reported C$20.5 billion in assets with C$8.8 billion in equity and C$11.7 billion in liabilities.

Potential Agenda Item #1 – Nexen’s Offshore Interests and Potential Activities in Newfoundland and Labrador

- Nexen participated in the C-NLOPB 2015 Call for Bids and successfully acquired one of the land parcels available in the Flemish Pass Basin area.

- This exploration licence represents Nexen’s first land parcel acquisition in the NL offshore. Nexen’s work commitment bid for the land parcel was $261 million. The C-NLOPB released the results of the Call for Bids on November 12, 2015.

<table>
<thead>
<tr>
<th>Licence / Location</th>
<th>Interest Holder</th>
<th>Call for Bids Year / Parcel</th>
<th>Effective Date</th>
<th>Expiry Date [Period 1]</th>
<th>Bid (million$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 1144 / Flemish Pass</td>
<td>Nexen Energy (100%)</td>
<td>2015 / NL15-01-10</td>
<td>01/15/2016</td>
<td>01/15/2025 [01/15/2022]</td>
<td>$261.0</td>
</tr>
</tbody>
</table>

- Nexen also participated in the C-NLOPB 2016 Call for Bids and submitted a winning bid for parcel NL16-01-13 located in the Flemish Pass Basin valued at $40.167 million. This parcel is directly adjacent to the land parcel Nexen acquired in the 2015 Call for Bids. The C-NLOPB released the results of the 2016 Call for Bids on November 9, 2016 for the Eastern Newfoundland and Jeanne d’Arc offshore regions. It is expected that the C-NLOPB will issue exploration licences to the successful bidders in January 2017 following submission of security deposits and environmental studies levies.

- See Attachment 2 for a map of licences in the Eastern Newfoundland Region highlighting Nexen’s parcels in the Flemish Pass Basin region.

Analysis:

- Multi Klient Invest (MKI/PGS) completed a 3D seismic program on EL 1144 in early October 2016 (start date on August 9, 2016) with the vessel Ramform Sterling. The program collected 1,850 km² of data. To date, neither MKI/PGS nor Nexen have released any details regarding the findings of the program.

- In June 2016, Patrick McVeigh, Nexen Senior Vice President for Global Exploration & International Developments, presented at the 2016 NOIA Conference in St. John’s. Mr. McVeigh indicated that Nexen regards the NL offshore opportunity very favourably and had been assessing the province’s offshore for about three years before acquiring the exploration licence in 2015. He also noted that Nexen would likely be an active participant in future calls for bids and is open to partnership opportunities towards growing its portfolio position in the region.

1) Pages 147-148 have been redacted in full. Some information has been withheld under sections 29(1)(a) and 35(1)(f); the remainder is non-responsive to the request.
2) Page 149 has been redacted in full under sections 29(1)(a) and 35(1)(f).
3) Page 150 has been redacted in full as all content is non-responsive to the request.
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