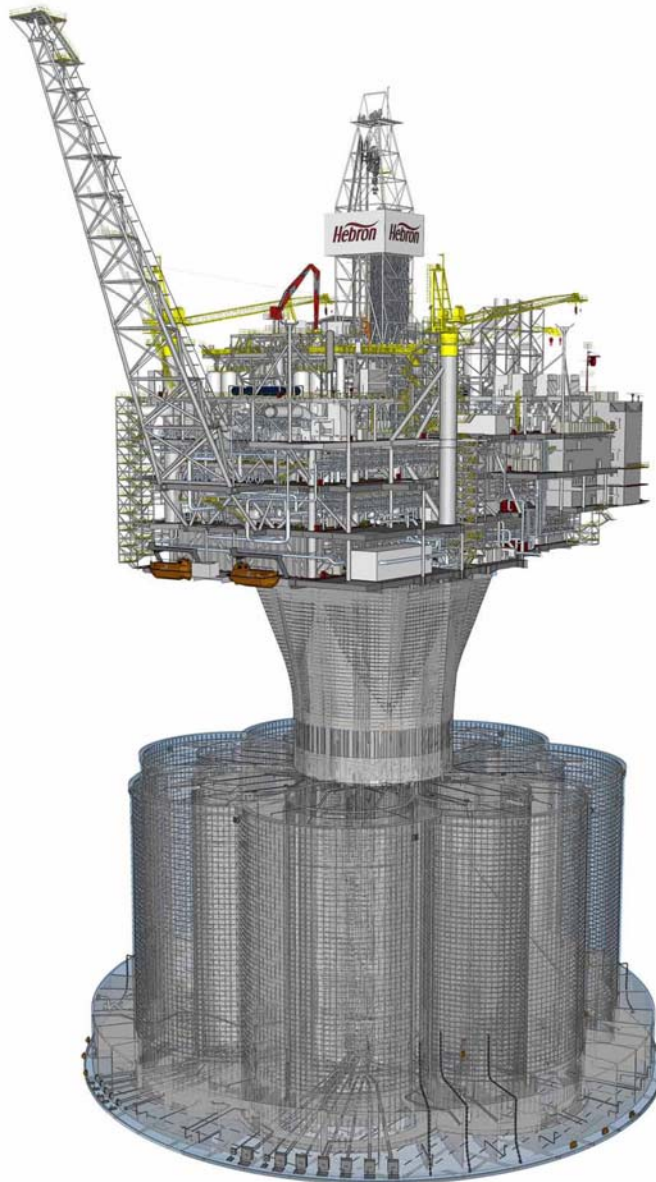




ExxonMobil Canada Properties



**Hebron Project Canada-Newfoundland and Labrador Benefits Report  
for the Period January 1, 2014 to March 31, 2014**

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## 1.0 Introduction

Hebron is a heavy oil field estimated to produce more than 700 million barrels of recoverable resources. The field was first discovered in 1980, and is located offshore Newfoundland and Labrador in the Jeanne d'Arc Basin 350 kilometres southeast of St. John's, the capital of Newfoundland and Labrador. It is approximately 9 kilometres north of the Terra Nova project, 32 kilometres southeast of the Hibernia project, and 46 kilometres from the White Rose project. The water depth at Hebron is approximately 92 metres.

The Hebron co-venturers are: ExxonMobil Canada Properties (EMCP) (36%), Chevron Canada Resources (26.7%), Suncor Energy Inc. through the Hebron Petro-Canada Partnership (22.7%), Statoil Canada (9.7%) and Nalcor Energy (4.9%). EMCP is the operator of the Hebron Project.

During May 2011, EMCP, on behalf of the Hebron co-venturers, filed the Hebron Benefits Plan with the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB). The Hebron Benefits Plan was conditionally approved on May 31, 2012 and covers the construction and operations phases of the project.

Five key principles of the Benefits Plan include:

- Meeting local benefits commitments while maintaining the highest levels of safety, environmental performance, efficiency and integrity of our operations;
- Selecting contractors and suppliers that will work diligently with us to deliver benefits to the people of the Province;
- Promoting the development of local skills and industry capacity that leaves a lasting legacy for the communities in which we operate and for the Province;
- Delivering execution certainty so that Hebron delivers best-in-class return on investment to stakeholders, including the Province of Newfoundland and Labrador; and
- Working collaboratively with industry, government, academic and training institutions, community and other stakeholder groups for the effective delivery of benefits.

As outlined in section 45 of the Atlantic Accord Acts, specific provisions of the Hebron Benefits Plan include a plan for:

- The employment of Canadians and, in particular, members of the labour force of the Province of Newfoundland and Labrador;
- Providing manufacturers, consultants, contractors and suppliers and service companies in the Province, and other parts of Canada, with full and fair opportunity to participate on a competitive basis in the supply of goods and services used in any proposed work or activity referenced in the Benefits Plan;
- Providing first consideration to services provided from within the Province and to goods manufactured in the Province, where those services and goods are competitive in terms of fair market price, quality and delivery;
- Consistent with the Canadian Charter of Rights and Freedoms, providing individuals resident in the Province with first consideration for training and employment in the work program for which the Benefits Plan was submitted;

- The establishment of an office in the Province where appropriate levels of decision-making are to take place; and
- Expenditures for R&D, including education and training, to be carried out in the Province.

This report summarizes the Hebron Project activities for the period of January 1, 2014 to March 31, 2014 in the areas of employment, expenditures and other relevant areas.

## 2.0 Employment

The total number of person hours worked on the Hebron Project during Q1 2014 was 3,315,800. The total number of people employed on the Hebron project as at March 31, 2014 was 6,429 of which 3,965 (62%) were NL residents, 376 (6%) were Other Canadians and 2,088 (32%) were Non-Canadians based on Canadian General Standards Board (CGSB) reporting guidelines and the C-NLOPB definition of residency (i.e. in compliance with the Newfoundland and Labrador Elections Act). Of the 6,429 employed on the project, 2,548 are working at Bull Arm site.

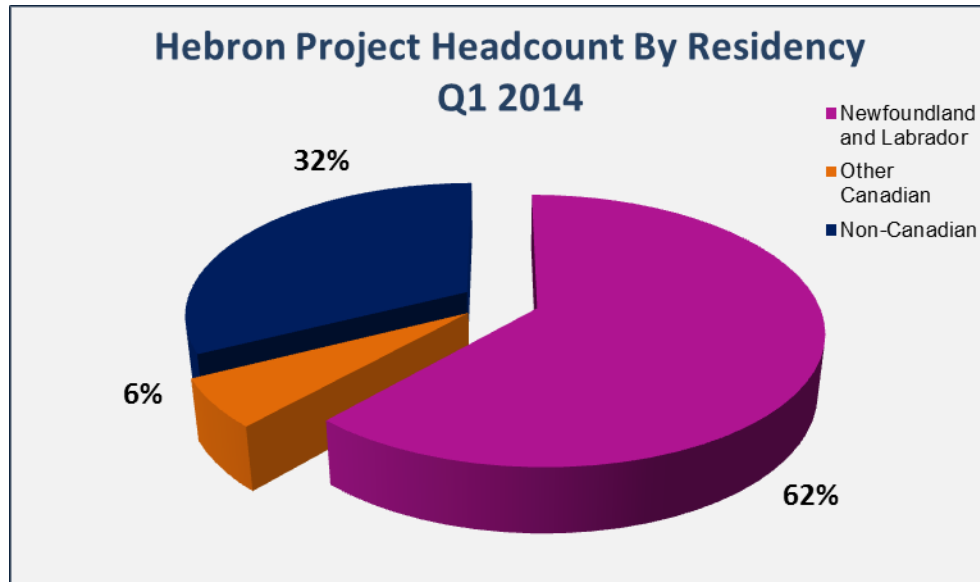
Total Employment Summary Hebron Project Q1 2014			
Direct Employment (Total Number of Persons)	Newfoundland and Labrador Residents (%)	Other Canadians (%)	Non-Canadians (%)
6429	62%	6%	32%

### Notes:

1. Report includes total number of persons directly employed on the project, including operator and contractor personnel
2. Residency status is reported as of the time of hire, based on the following definitions:
 

**Canadian Citizen:**  
A person who was born in Canada and has not relinquished his/her Canadian citizenship; or, a person who has been granted Canadian citizenship; or, a person who has been granted landed immigrant status.

**Newfoundland and Labrador Resident:**  
A Canadian citizen or landed immigrant who meets the residency requirements of the Province as defined by *The Elections Act*, SNL 1992, CE-3.1. (At point of hire)
3. Headcount includes persons that have worked 50% (at least 80 hours per month) during Q1 2014



Employment Summary by Location Hebron Project Q1 2014						
Location	Total Number of Persons					
	Residency Status			Gender		TOTAL
	NL	OC	NC	Male	Female	
<b>Newfoundland and Labrador</b>	3,953	293	344	4,005	585	4,590
<b>Other Canada</b>	1	70	4	66	9	75
<b>Outside Canada</b>	11	13	1,740	1,589	175	1,764
TOTAL	3,965	376	2,088	5,660	769	6,429

Notes:

1. Disciplines are based on the following National Occupational Classification (NOC) Codes:
  - **Management** includes: Senior Managers as well as Middle and Other Managers
  - **Administration** includes: Administrative & Sr. Clerical Personnel as well as Clerical Personnel
  - **Engineers** includes: only those in that NOC code
  - **Technicians** includes: Semi-professionals & Technicians
  - **Professionals** includes: only those in that NOC code
  - **Skilled Trades** includes: Skilled Crafts & trades as well as Skilled Trades & Services
  - **Labour** includes: Semi-Skilled Manual Workers, Other Manual Workers as well as Intermediate Sales & Service
  - **Students** includes: any student enrolled at a recognized educational institution or accredited academic program and includes both graduate and undergraduate students, cadets or any other student
  - **Other** includes: positions that do not fit into any of the other disciplines

Note: Project management team hours include third party contractors in support of the project management team.

Employment Summary by Discipline Hebron Project Q1 2014					
Discipline	Number of Persons				Total number of Persons
	Male	%	Female	%	
Management	344	95%	20	5%	364
Administration	28	15%	154	85%	182
Engineers	812	87%	121	13%	933
Technicians	495	89%	64	11%	559
Professionals	418	66%	220	34%	638
Skilled Trades	2,238	95%	123	5%	2,361
Labour	1,296	96%	51	4%	1,347
Students	29	64%	16	36%	45
Other	-	-	-	-	-
<b>Total:</b>	<b>5,660</b>	<b>88%</b>	<b>769</b>	<b>12%</b>	<b>6,429</b>

Person Hour Summary Report Hebron Project Q1 2014	
Activity/Component	Total Person Hours
Project Management Team	139,800
Gravity Based Structure	1,476,635
Topsides	1,692,015
Offshore Loading System	7,350
<b>Total (Q1 2014)</b>	<b>3,315,800</b>
<b>Total (Year to Date)</b>	<b>3,315,800</b>
<b>Project Cumulative</b>	<b>20,060,277</b>

### 3.0 Canada-NL Content Estimates

The table below details the estimated Canada-NL content of actual expenditures during the quarter, year to date and cumulatively for the Hebron Project.

Canadian-NL Content Estimates Hebron Project Q1 2014			
Reporting Period	Content		
	NL (%)	Other Canadian (%)	Non-Canadian (%)
Q1 2014	52%	10%	38%
Year to Date	52%	10%	38%
Project Cumulative	49%	9%	42%

### 4.0 Contracting and Procurement

Please see table below for listing of new contracts awarded with a value greater than \$250,000 during the reporting period January 1, 2014 to March 31, 2014. The table includes a description of the contract, name of the contractor and the contractor's location at time of award.

<b>Contracting Activity Hebron Project Q1 2014</b>		
<b>Description</b>	<b>Contractor</b>	<b>Contractor Location (NL, OC, NC)</b>
<b>EMCP Contracts</b>		
OLS Scope A Pipeline EPCI	Allseas Canada	OC
OLS Scope C Subsea Equipment and Spools Installation	Subsea 7 Canada	NL
Drilling Operations and Maintenance Services	KCA Deutag Drilling Canada Inc.	NL
<b>KKC Contracts</b>		
Miscellaneous Tools & Supplies (ST&S)	Pioneer Enterprise Ltd.	NL
Construction Electrical Distribution Enclosures (C4) - Cement Pigs	Pneumatic Technology Inc.	NC
Propylene Glycol	Alpha Chemical Limited	OC
Supply of Hydro Plugs	IKM Testing (Canada) Limited	NL
Crude Oil Interface Level Measurement System	Kongsberg Maritime AS	NC
Pre-fabrication of Deck Subcomponents (Box Girders, I-Beams and Nodes)	Allerton Steel Ltd.	NC
Supply of Temporary Left-in-Place Formwork	Cherubini Metal Works Limited	OC
Repair of Partly Blocked Ducts	Olimb Group AS	NC
Marine Outfitting Facility - Flotilla Barge Outfitting (WO3)	Hedde Marine Services (NL) Inc.	NL
Marine Outfitting Facility - Flotilla Barge Outfitting (WO9)	Harbour Grace Ocean Enterprises	NL
Personnel Ferries (Ferry operation and management)	McKeil Newfoundland and Labrador Ltd.	NL
<b>WorleyParsons Contracts</b>		
Architectural Flexible Fire Seals	Trelleborg Offshore Norway	NC
Pier and Quay Remediation Work	Pennecon Heavy Civil Limited	NL
Tagged Field Instruments	Atlantic Controls	NL
Food Service Equipment	Big Erics Inc.	OC
Firewater Hosereels	Firenor AS	NC
Sprinkler Skid Package	Firenor AS	NC
Hot Water Storage Skid Package	Cahill Instrumentation	NL
HVAC Grills/Diffusers	VDDO	OC
Small Power Transformers	McLoughlan Supplies Ltd.	NL
Telecom Supports	Metal World	NL
Fibreglass Reinforced Piping	Specialty Plastics	NC
Emergency Response Team Services	Technical Rope and Rescue	NL
Crane Services	Mammoet	OC
Piping Spool Fabrication	Vytrell	NL
Electrical Material Supply	McLoughlan Supplies Ltd. LiteCo Anizter Canada Ltd. Nedco	NL
Instrument Tubing and Fittings	Atlantic Hose and Fittings	NL



## 5.0 Other Interests

### Hebron Provides Funding to Local Schools

The Hebron Project provided funding to Tricentia Academy in Arnold's Cove, NL and St. Joseph's All Grade School in Terranceville, NL. The funding will be used to purchase SmartBoard(s) and/or science lab equipment for the schools.



Matt Koenig (right), Construction Advisor for the Hebron Project, presenting a cheque to David Noel (left), Principal of St. Joseph's All Grade



(L-R) Brad Pitcher, Games Manager; Barry Colbourne, Director – Friends of the Games; and Peter Velez, Construction Supervisor for the Hebron Project

### Hebron Provides Funding to Clarenville Winter Games

The Hebron Project provided funding to the Clarenville Winter Games. The funding was used to implement portable water stations which helped reduce the use of plastic water bottles during the games.