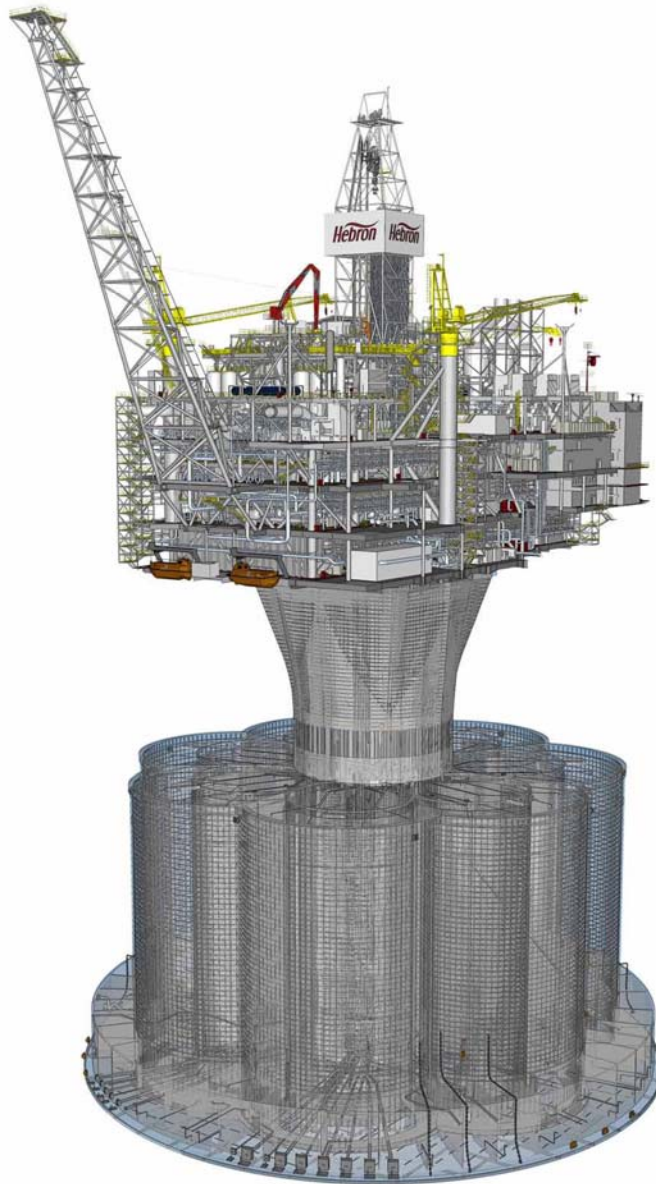




ExxonMobil Canada Properties



**Hebron Project Canada-Newfoundland and Labrador Benefits Report
for the Period July 1, 2014 to September 30, 2014**

Table of Contents

1.0 INTRODUCTION2

2.0 EMPLOYMENT.....3

3.0 CANADA-NL CONTENT ESTIMATES.....6

4.0 CONTRACTING AND PROCUREMENT.....6

5.0 OTHER INTERESTS.....7

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 Resources Limited (26.7%), Suncor Energy Inc. through the Hebron Petro-Canada Partnership (22.7%), Statoil Canada Ltd. (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 July 1, 2014 to September 30, 2014 in the areas of employment, expenditures and other relevant areas.

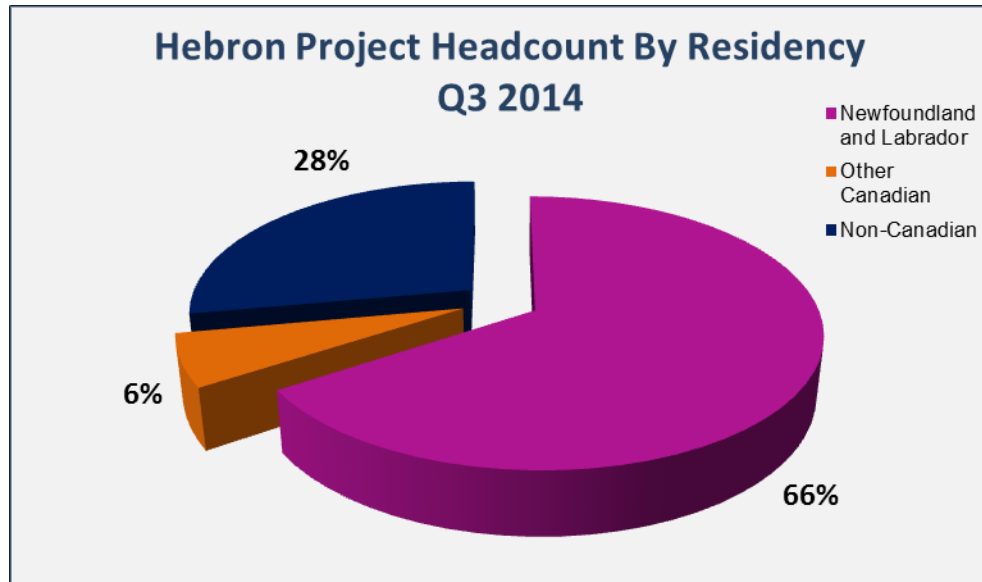
2.0 Employment

The total number of person hours worked on the Hebron Project during Q3 2014 was 4,606,991. The total number of people employed on the Hebron project during Q3 2014 was 7,640 of which 5,028 (66%) were NL residents, 481 (6%) were Other Canadian and 2,131 (28%) were Non-Canadian 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 7,640 employed on the project during Q3 2014, 3,077 were working at Bull Arm site. However, during the month of September employment at Bull Arm peaked at 5,305.

Total Employment Summary Hebron Project Q3 2014			
Direct Employment (Total Number of Persons)	Newfoundland and Labrador Residents (%)	Other Canadians (%)	Non-Canadians (%)
7640	66%	6%	28%

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 Q3 2014



Employment Summary by Location Hebron Project Q3 2014						
Location	Total Number of Persons					
	Residency Status			Gender		TOTAL
	NL	OC	NC	Male	Female	
Newfoundland and Labrador	5021	341	351	5016	697	5713
Other Canada	2	124	4	122	8	130
Outside Canada	5	16	1776	1660	137	1797
TOTAL	5028	481	2131	6798	842	7640

Notes:

- 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

Employment Summary by Discipline Hebron Project Q3 2014					
Discipline	Number of Persons				Total number of Persons
	Male	%	Female	%	
Management	455	95%	24	5%	479
Administration	36	17%	176	83%	212
Engineers	650	88%	90	12%	740
Technicians	506	89%	61	11%	567
Professionals	478	68%	226	32%	704
Skilled Trades	2877	94%	168	6%	3045
Labour	1757	96%	80	4%	1837
Students	39	70%	17	30%	56
Other	-	-	-	-	-
Total:	6798	89%	842	11%	7640

Person Hour Summary Report Hebron Project Q3 2014	
Activity/Component	Total Person Hours
Project Management Team	256,135
Gravity Based Structure	2,033,433
Topsides	2,285,500
Offshore Loading System	31,923
Total (Q3 2014)	4,606,991
Total (Year to Date)	12,449,882
Project Cumulative	29,194,359

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

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 Q3 2014			
Reporting Period	Content		
	NL (%)	Other Canadian (%)	Non-Canadian (%)
Q3 2014	60%	5%	35%
Year to Date	55%	7%	38%
Project Cumulative	51%	8%	41%

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 July 1, 2014 to September 30, 2014. The table includes a description of the contract, name of the contractor and the contractor's location at time of award.

Contracting Activity Hebron Project Q3 2014		
Description	Contractor	Contractor Location (NL, OC, NC)
EMCP CONTRACTS		
No EMCP contracts awarded during Q3 2014		
KKC CONTRACTS		
Out-of-dock-Connection Tugs Supply (Merged into SM735D)	Havila Shipping AS	NC
Supply of Annulus Cell Formwork Trusses & Beams	CANMEC Group Inc.	OC
Supply of Barges (DWS) Supply of Tugs (DWS) (see multiple frame agreements SM735D)	McKeil NL	NL
Barge Scaffolding and Access	Aluma Systems Inc.	NL
J-Tube & Riser Temporary Storage, Handling and Maintenance	Atlantic Maintenance Services Limited	NL
Water Filtration System	GE Water & Process Technologies Canada	OC
Thermal Insulation for Crude Oil Caissons and Lines	Aluma Systems Inc.	NL
Supply of Diffusers (Ti)	GJ Cahill & Company Ltd.	NL
Dropped Pump Protection (DPP) Bullet Castings	Canadian Maritime Engineering Ltd.	OC
Supply of Prefabricated Deck Subcomponents (Box Girders, I-Beams and Nodes) for Main Guide Deck EL98m (incl. EL86m)	Allerton Steel	NC
Supply of Diffusers (6Mo)	GJ Cahill & Company Ltd.	NL
Pipe, Fittings & flanges	Frame Agreement - Ernstbrucker Eisenwerk GMBH & Co (EEW)	NC
WORLEYPARSONS CONTRACTS		
Integration of Modules	Wood Group PSN, Cahill	NL
Temporary Living Quarters and Temporary Lunchroom Complex	Apply Emtunga AB	NC
GBS Temporary Power System-Engineering, Operation & Maintenance Study	Avalon Controls	NL
NEAL: Interior Lighting	Glamox Canada Inc. Graybar Canada Limited/Harris and Roome	NL

5.0 Other Interests

Hebron Reaches Milestone as Gravity Based Structure Towed to Deepwater Construction Site

In another project milestone, the Hebron gravity based structure (GBS) was successfully towed from the dry dock to the deepwater construction site at Bull Arm. Tow-out occurred July 22, with arrival at the deepwater site 10 hours later.



(L-R) Laura George, COD-NL Board Member, Sadie Sellars, Technical Manager, Hebron Project; Janice Carey, COD-NL Board Member

Hebron provides funding to the Coalition of Persons with Disabilities – NL

Hebron donated \$5000 to the Coalition of Persons with Disabilities-NL during Q3 2014. The donation is for general programming, education and outreach.