1.0 Introduction

The Terra Nova field is located in approximately 93 to 97 metres of water, about 350 km East-Southeast of St. John's, Newfoundland and about 35 km Southeast of the Hibernia field. Petro-Canada is also a joint venture partner in the Hibernia, White Rose, Hebron projects and holds additional exploration licences in the Grand Banks area.

1.1 General Conditions

Contractor shall:

- a) work strictly in accordance with and at all times comply with all relevant provincial and federal regulations, codes and standards and authorities appropriate to the Scope of Work,
- b) ensure that good, safe working practices are followed at all times and shall promote safety throughout its operations by an active participative program of which it shall keep Company fully informed at all times,
- c) provide management, supervision, personnel, plant, equipment, property resources and all other things material and physical as are necessary to carry out all activities herein and in accordance with the provision of the contract in every respect,
- d) be utilized and deployed to Company's best economic and operational advantage at all times,
- e) ensure that all appropriate certification and maintenance records shall accompany all Contractor's equipment. Appropriate certification is to be maintained at all times,
- f) provide, and continue to seek to provide and engage Personnel demonstrably competent qualified and experienced, for all Services being delivered by Contractor,
- g) ensure that the Services are provided at all times in accordance with the more stringent of Company policy and procedures or best oil industry practices,
- h) ensure that Contractor offshore Personnel shall have all requisite training before being deployed offshore, including Basic Survival Training, and shall be medically certified by a medical services provider that is approved by Company,
- i) ensure that its offshore Personnel are provided with and use personal protective equipment such as, but not limited to, hard-hats, high visibility protective clothing, gloves, safety boots, goggles etc. at all times in the performance of the Services,
- j) provide specialist onshore or offshore contract Personnel or other related ad hoc or other specialist services not specifically defined in this Scope of Services but considered to be within the general expertise of Contractor, its parent or associate companies; and

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k) comply with any reasonable instruction issued by Company during, or in connection with, the performance of the Services, but this shall in no way relieve Contractor of its responsibilities and obligations hereunder.

Company reserves the right to reject any Contractor's Personnel that Company considers unsuitable. Contractor must provide qualified replacements at no additional cost to Company.

Contractor, its subcontractors and suppliers and any other person for which Contractor is responsible, shall be required to act as good corporate citizens during the term of any Agreement, particularly with regard to the communities in which the Services are carried out.

Contractor shall be cognizant, at all times, of the importance of maintaining good community relations, particularly in the areas and in the vicinity of locations of the Services. To this end, Contractor shall be required to establish, and thereafter implement, the policies and procedures necessary to maintain good community relations.

2.0 General Scope of Services

- Company installations. Company, at present, requires service for the Terra Nova FPSO, and may in the future mobilize Mobile Offshore Drilling Unit (MODU) for delineation or new exploration programs. Should Company add additional MODUs, FPSOs, construction vessels or other offshore drilling/production facilities, Contractor's scope of work will include the provision of suits and the associated services to these facilities.
- 2.2 All services provided by Contractor shall be coordinated by Company's Helicopter Services Provider, Cougar Helicopters. Company shall share a common pool of suits, provided by Contractor, with both Hibernia Management and Development Company and Husky.

3.0 Helicopter Suit Supply

- 3.1 Contractor shall supply the Nautilus E452 Suit System for use by Company's personnel.
- 3.2 Contractor shall initially provide an approved quantity of suits to support Company's offshore operations. If POB levels decline, the number of suits required by Company shall also decline accordingly. Contractor shall work with Company to find an alternate use for suits that are no longer required by Company. The approved quantity shall then be adjusted.
- 3.3 For adhoc suit requirements, above the regular quantities specified, Contractor shall ensure that there are sufficient quantities available for adhoc usage to ensure uninterrupted operations at Company's offshore installations. Contractor shall have, at a minimum,

adhoc suits available for use by all basin operators. If additional suit quantities beyond the specified adhoc requirement are required, lead times for suit delivery shall be agreed

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between Company and Contractor. In the event, one or more of the operators mobilize additional offshore installations for a planned period of ninety (90) or more days, Contractor shall consult with Company and the other operators in the basin to ensure that sufficient quantities of adhoc suits are available.

4.0 Personal Locator Beacons (PLBs)

- 4.1 Contractor shall supply the Sea Marshall 121.5 PLB, complete with Transport Canada approval, to support Company's offshore operations.
- 4.2 PLBs will be fastened/placed on all survival suits in use.
- 4.3 Forty (40) PLB units shall be supplied.
- 4.4 Contractor shall supply additional PLB units in the event Company elects to mobilize additional offshore installations. Quantity of such units shall be agreed between Company and Contractor.

5.0 Helicopter Underwater Emergency Breathing Apparatus (HUEBA)

- 5.1 Contractor shall supply the Aqua Lung SEA LV-2 compressed air system to support Company's offshore operations.
- 5.2 Forty (40) HUEBA units shall be supplied.
- 5.3 Contractor shall supply additional HUEBA units in the event Company elects to mobilize additional offshore installations. Quantity of such units shall be agreed between Company and Contractor.

6.0 Support Services

- 6.1 Contractor shall deliver suits, PLBs and HUEBA units to and from the heliport. After each return use, Contractor shall take suit liners to Contractor's facility for washing. Contractor shall also ensure that suits are cleaned, repaired and leak tested as per established standards.
- 6.2 Contractor shall supply a digital video explaining the safety features of the suit, as well as the donning procedure. This video must be digital and Company shall have the ability to incorporate it into Company's offshore helicopter safety video.
- 6.3 Contractor shall maintain at all times Transport Canada certification for the Nautilus E452 Suit System. Certification must meet the current Transport Canada Aviation suit standard CAN/CGSB 65.17-1999 and current Transport Canada Marine abandonment suit standard CAN/CGSB 65.16.2005.

- 6.4 Contractor shall train Company's helicopter services provider on the process for daily inspection of suits.
- 6.5 Contractor shall work with Company and Company's helicopter services provider to develop and implement a transition plan from the suits currently being used to the Nautilus E452 suit. This transition plan shall include the provision of personnel to be present at the helicopter services provider heli-port to assist personnel offshore with the donning and removal of the suit to minimize damage to the suits (particularly the wrist seals).
- 6.6 Contractor shall consult with Company representatives and Company's helicopter services provider for recommendations on appropriate levels of suit sizes.
- 6.7 Contractor shall maintain adequate records of the repairs and maintenance performed on all items, as well as the certifications conducted on each component of the helicopter passenger suit system. Contractor may be requested from time to time to demonstrate or give proof of such records.
- 6.8 Contractor shall, when requested, supply documentation on the procedure used for tracking and quality assurance.
- 6.9 Contractor shall perform all inspections and maintenance on PLBs. Operator's helicopter service provider shall perform daily checks on PLBs. Contractor shall also provide required training to such personnel to perform daily checks as well as proper handling of units.
- 6.10 Contractor shall maintain and refill all HUEBA units as required. Operator's helicopter service provider shall perform daily checks on HUEBAs. Contractor shall provide required training to such personnel to perform daily checks as well as proper handling of units.
- 6.11 Contractor shall have a maintenance facility in Newfoundland and Labrador to conduct suit/equipment inspection and maintenance. Such facilities must meet all industry standards and be adequately staffed by qualified personnel to support Company 24/7 operations.

7.0 Specification Sheets and Certificates for Nautilus E452 Suit

- 7.1 The following documents are attachments to this scope of work:
- Nautilus E452 General Information
- Transport Canada Aviation Approval Certificate
- Transport Canada Marine Approval Certificate