



**Sustainable Development**

Environmental Stewardship Division  
Environmental Approvals Branch  
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**File: 5093.00**  
**Environment Act Licence No. 2698 R**

November 7, 2018

Ryan Bjornsen, P. Geo.  
Hydrogeologist - Corporate Responsibility  
Husky Energy  
707 – 8th Avenue SW  
Calgary, AB T2P 3G7  
Via Email: [Ryan.Bjornsen@huskyenergy.com](mailto:Ryan.Bjornsen@huskyenergy.com)

Dear Mr. Bjornsen:

**Re: Husky Oil Operations Ltd. – Minnedosa Ethanol Plant – CO<sub>2</sub> Sequestration Pilot Project**

Thank you for the proposal dated October 11, 2018 requesting approval for a proposed carbon dioxide (CO<sub>2</sub>) sequestration pilot project. The pilot project includes drilling a test well into the Red River Formation to a depth of 1,042 m and collecting relevant geological and hydrogeological data to confirm the suitability of subsurface conditions. It was reported in the proposal that, if successful, the 120,000 tonnes of CO<sub>2</sub> gas which is vented to the atmosphere each year by the plant will be captured and disposed of via deep well injection in order to lower the carbon intensity of the plant.

Upon review of your request, I have concluded that the environmental effects of the pilot project will be insignificant. Therefore, your request is approved as described in the October 11, 2018 submission with the following conditions:

1. The proponent shall notify the Environment Office at least 2 weeks before the start of well drilling.
2. In the event that the project is not successful, the proponent shall decommission the test well within 90 days in a manner that is acceptable to an Environment Officer.
3. If the project is successful, the proponent shall submit a Notice of Alteration request with a detail report including the analysis of the pilot project test result for review and approval by the Director.
4. This approval shall terminate on December 31, 2020.

If you have any questions regarding this matter, please contact Mr. Peter Crocker, Regional Supervisor, at (204) 726-6565.

Yours truly,



Siobhan Burland Ross, M. Eng., P. Eng.  
A/Director  
Environmental Approvals Branch

- c. Don Labossiere/ Tim Prawdzik/Peter Crocker, Environmental Compliance and Enforcement Branch
- Eshetu Beshada/ Asit Dey, Environmental Engineer, Environmental Approvals Branch
- Vibhav Patel, MEP Senior Plant Engineer, [Vibhav.Patel@huskyenergy.com](mailto:Vibhav.Patel@huskyenergy.com)
- Public Registry