



Conservation and Climate

Environmental Stewardship Division

Environmental Approvals Branch

1007 Century St

Winnipeg MB R3H 0W4

T 204-945-8321 F 204-945-5229

www.gov.mb.ca/sd

File No.: 5093.00

June 22, 2021

Ryan Bjornsen, P. Geo.
Hydrogeologist - Corporate Responsibility,
Husky Energy,
707 – 8th Avenue SW,
Calgary AB T2P 3G7
Ryan.Bjornsen@huskyenergy.com

Dear Ryan Bjornsen:

Re: Husky Oil Operations Ltd - Minnedosa Ethanol Plant CO2 Sequestration Pilot Project.

Thank you for the revised proposal dated June 1, 2021 requesting an approval for a proposed carbon dioxide (CO₂) sequestration pilot project. It is understood that this request is to renew the approval issued November 7, 2018 and expired December 31, 2020 since the pilot project was not carried out. The pilot project includes directional drilling a test well into the Red River Formation to a depth of 1,048 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 CO₂ 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 June 1, 2021 submission with the following conditions:

1. The proponent shall notify the Environment Officer 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 and the proponent wishes to continue with ongoing operation of the project, the proponent shall submit a Notice of Alteration request with a detailed 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, 2023.

If you have any questions, please feel free to contact Nicole Lavallee, Acting Regional Supervisor, at 204-648-3145, or by email at Nicole.Lavallee@gov.mb.ca.

Sincerely,
Original Signed by
Siobhan Burland Ross

for Shannon Kohler, Director
Environment Act

cc: Kristal Harman, Yvonne Hawryliuk, Nicole Lavallee - Environmental Compliance and Enforcement
Siobhan Burland Ross, Eshetu Beshada - Environmental Approvals
Vibhav Patel - MEP Senior Plant Engineer
Public Registry