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Executive Summary

To date, the Sable Project has resulted in over \$2.0 billion being invested into the Nova Scotia economy and over \$3.1 billion into the Canadian economy using the cash flow methodology.

The Sable Project continued to assist with development of the natural gas industry in Nova Scotia in the year 2003. Initiatives to aid in reaching this goal included investments in community education, research and development, training, technology transfer and continued support of diversity and inclusion programs.

Focus also continued on skills development in Nova Scotia during the year 2003 with over \$29.5 million invested in training and education cumulatively. These efforts included the training of Project employees (in areas such as safety management and leadership skills), training initiatives of major contractors, community training investments and co-op student programs. **Of particular note is the almost \$2.8 million that has been invested in 389 co-op/work placements related to the Sable Project since the Project began.**

1.0 Introduction

The **Canada-Nova Scotia Benefits Annual 2003 Report** for the Sable Project is hereby submitted to the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) in accordance with the requirements under Section 2.6 and Condition #9 of the Sable Offshore Energy Project Canada-Nova Scotia Offshore Petroleum Board Benefits Plan Decision Report dated December 3, 1997 (for implementation effective December 30, 1997).

This report addresses Sable Project benefits activities for the period January 1, 2003 to December 31, 2003, and has been prepared and submitted by ExxonMobil Canada Properties (ExxonMobil) as the Sable Project operator.

This report summarizes the Q1, Q2 and Q3 2003 reports that were previously submitted to the CNSOPB and includes data from Q4 2003 as well.

2.0 Operations/Tier II Development Update

2.1 Operations

Operations highlights during the year 2003 included:

- Installation of potassium hydroxide support systems to allow more automated operations of the Point Tupper treaters was completed along with dehydration bed support repairs and bed replacements at Goldboro in the First Quarter of 2003.
- During the Second Quarter, the National Energy Board (NEB) and the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) each conducted audits for the Goldboro gas plant and Thebaud, respectively. Neither audit raised any significant issues.
- Also, following the implementation of identified operational improvements, flare volumes at both Goldboro and Thebaud were reduced in the Second Quarter. In May, 2003, Goldboro flare volume was its lowest in operational history to date.
- Sessions for a "Tools Down" Safety Awareness, Discussion and Questionnaire for Production Operations was initiated in the Second Quarter.
- In the Third Quarter, successful overhaul/change-out of one of two Goldboro Gas Plant residue gas powered turbines at 30,000 hours run time. (A first ever for Sable Operations)
- Drag Reducing Agent trials for the 26" pipeline commenced September 9, 2003.
- The 26" Pipeline ROV Survey and Inter-field flowline ROV Survey were completed in the Third Quarter.
- On September 27, 2003, both high pressure and low pressure flare tip replacements were completed on Thebaud without incident.
- An onshore coatings repair project was completed in the Fourth Quarter.

2.2 Tier II Development

Alma Platform

Hydrocarbon production from the Alma field was authorized by the CNSOPB on November 13, 2003. Alma is the first of the Tier II fields to be brought into production and is currently producing about 120 million cubic feet of natural gas daily as well as about 3,000 barrels of condensate and natural gas liquids. Congratulations to the Tier II team on this achievement.

South Venture

Topsides and jacket fabrication is progressing at the construction sites in Dartmouth and The Netherlands respectively. KSLO completed detailed engineering and procurement of all materials and equipment packages, and is focusing on expediting and delivery to the construction sites.

Preparations continued for the tie-in modifications required to the existing facilities, scheduled for installation in the First Quarter of 2004. Engineering support for this activity is being provided by ACCENT Engineering. G.J. Cahill of Dartmouth was awarded a single contract for commissioning and offshore hook-up, which will commence at the topsides site in the First Quarter of 2004. Technip-CSO was awarded the contract for the offshore subsea pipeline and hot-tap installations scheduled for mid 2004. Heerema Marine Contractors were awarded the contract for offshore transportation and installation activities earlier in 2003 and are preparing for offshore activities, beginning with jacket transportation and installation in the Second Quarter of 2004.

Compression

A contract for engineering, procurement, construction and installation (EPCI) was awarded to a Saipem, UK - Daiwoo Shipbuilding & Engineering consortium, 'SaiWoo Contractors', in the Fourth Quarter of 2003. SaiWoo commenced mobilization activities, which included establishing their Project Management Team (PMT) office in Halifax. A Compression Project overview was presented to OTANS members in December, 2003.

Details on cumulative expenditures through December 31, 2003 are included in Table 3.1.1 below.

Table 3.1.1
Historical Expenditures Pursuant to CGSB Methodology
(in \$ millions)

	Nova Scotia	Other Canadian	Foreign	Totals
Cumulative to December 31, 1998	218.0	166.5	596.7	981.2
Percentage of Total	22.2 %	17.0 %	60.8 %	100.0 %
Cumulative to December 31, 1999	623.1	282.8	1,145.2	2,051.1
Percentage of Total	30.4 %	13.8 %	55.8 %	100.0 %
Cumulative to December 31, 2000	795.2	385.1	1,234.7	2,415.0
Percentage of Total	32.9 %	16.0 %	51.1 %	100.0 %
Cumulative to December 31, 2001	965.4	445.7	1,334.5	2,745.6
Percentage of Total	35.2 %	16.2 %	48.6 %	100.0 %
Cumulative to December 31, 2002	1,142.1	546.3	1,497.1	3,185.5
Percentage of Total	35.9 %	17.1 %	47.0 %	100.0 %
First Quarter 2003	47.2	21.9	53.9	123.0
Percentage of Total	38.4 %	17.8 %	43.8 %	100.0 %
Cumulative to March 31, 2003	1,189.3	568.2	1,551.0	3,308.5
Percentage of Total	35.9 %	17.2 %	46.9 %	100.0 %
Second Quarter 2003	76.6	17.7	56.7	151.0
Percentage of Total	50.7 %	11.7 %	37.6 %	100.0 %
Cumulative to June 30, 2003	1,265.9	585.9	1,607.7	3,459.5
Percentage of Total	36.6 %	16.9 %	46.5 %	100.0 %
Third Quarter 2003	47.8	24.8	69.7	142.3
Percentage of Total	33.6 %	17.4 %	49.0 %	100.0 %
Cumulative to September 30, 2003	1,313.7	610.7	1,677.4	3,601.8
Percentage of Total	36.5 %	17.0 %	46.5 %	100.0 %
Fourth Quarter 2003	42.3	37.7	47.7	127.7
Percentage of Total	33.2 %	29.5 %	37.3 %	100.0 %
Cumulative to December 31, 2003	1,356.0	648.4	1,725.1	3,729.5
Percentage of Total	36.4 %	17.4 %	46.2 %	100.0 %

3.1.2 Cash Flow Methodology

Using the Cash Flow methodology, expenditures for the Fourth Quarter of 2003 can be broken down as follows:

- Nova Scotian \$41.4 million (32.4%)
- Other Canadian \$62.0 million (48.6%)
- Foreign \$24.3 million (19.0%)

For the year 2003, total project expenditures using the cash flow method can be broken down per the table below:

	Nova Scotia	Other Canadian	Foreign	Totals
2003 Expenditures	245.3	183.5	115.2	544.0
Percentage	45.1 %	33.7 %	21.2 %	100.0 %

Details on the cumulative expenditures through December 31, 2003 using the Cash Flow Methodology are provided in Table 3.1.2 below.

Table 3.1.2
Historical Expenditures by Cash Flow Methodology
(in \$ millions)

	Nova Scotia	Other Canadian	Foreign	Totals
Cumulative to December 31, 1998	404.9	287.5	288.8	981.2
Percentage of Total	41.3 %	29.3 %	29.4 %	100.0 %
Cumulative to December 31, 1999	1,054.0	554.1	443.0	2,051.1
Percentage of Total	51.4 %	27.0 %	21.6 %	100.0 %
Cumulative to December 31, 2000	1,260.4	721.4	433.2	2,415.0
Percentage of Total	52.2 %	29.9 %	17.9 %	100.0 %
Cumulative to December 31, 2001	1,501.0	826.5	418.1	2,745.6
Percentage of Total	54.7 %	30.1 %	15.2 %	100.0 %
Cumulative to December 31, 2002	1,761.1	972.6	451.8	3,185.5
Percentage of Total	55.3 %	30.5 %	14.2 %	100.0 %
First Quarter 2003	55.7	45.5	21.8	123.0
Percentage of Total	45.3 %	37.0 %	17.7 %	100.0 %
Cumulative to March 31, 2003	1,816.8	1,018.1	473.6	3,308.5
Percentage of Total	54.9 %	30.8 %	14.3 %	100.0 %
Second Quarter 2003	77.5	43.7	29.8	151.0
Percentage of Total	51.3 %	29.0 %	19.7 %	100.0 %
Cumulative to June 30, 2003	1,894.3	1,061.8	503.4	3,459.5
Percentage of Total	54.8 %	30.7 %	14.5 %	100.0 %
Third Quarter 2003	70.7	32.3	39.3	142.3
Percentage of Total	49.7 %	22.7 %	27.6 %	100.0 %
Cumulative to September 30, 2003	1,965.0	1,094.1	542.7	3,601.8
Percentage of Total	54.5 %	30.4 %	15.1 %	100.0 %
Fourth Quarter 2003	41.4	62.0	24.3	127.7
Percentage of Total	32.4 %	48.6 %	19.0 %	100.0 %
Cumulative to December 31, 2003	2,006.4	1,156.1	567.0	3,729.5
Percentage of Total	53.8 %	31.0 %	15.2 %	100.0 %

Details on cumulative person hours through December 31, 2003 are provided in Table 3.2 below. As well, please see Appendix 1 for a listing of 2003 labour hours by vendor.

Table 3.2
Historical Person Hours
(in millions of Person Hours)

	Nova Scotia	Other Canadian	Foreign	Totals
Cumulative to December 31, 1998	2.70	1.00	2.91	6.61
Percentage of Total	40.85 %	15.13 %	44.02 %	100.00 %
Cumulative to December 31, 1999	5.93	1.48	5.25	12.66
Percentage of Total	46.84 %	11.69 %	41.47 %	100.00 %
Cumulative to December 31, 2000	8.39	1.74	5.36	15.49
Percentage of Total	54.20 %	11.22 %	34.58 %	100.00 %
Cumulative to December 31, 2001	9.75	1.90	5.49	17.14
Percentage of Total	56.86 %	11.11 %	32.03 %	100.00 %
Cumulative to December 31, 2002	10.73	2.19	6.04	18.96
Percentage of Total	56.61 %	11.54 %	31.85 %	100.00 %
First Quarter 2003	0.27	0.06	0.22	0.55
Percentage of Total	48.95 %	10.96 %	40.09 %	100.00 %
Cumulative to March 31, 2003	11.00	2.25	6.26	19.51
Percentage of Total	56.39 %	11.53 %	32.08 %	100.00 %
Second Quarter 2003	0.41	0.08	0.31	0.80
Percentage of Total	51.89 %	9.54 %	38.57 %	100.00 %
Cumulative to June 30, 2003	11.41	2.33	6.57	20.31
Percentage of Total	56.21 %	11.45 %	32.34 %	100.00 %
Third Quarter 2003	0.59	0.12	0.12	0.83
Percentage of Total	69.74 %	15.24 %	15.02 %	100.00 %
Cumulative to September 30, 2003	12.00	2.45	6.69	21.14
Percentage of Total	56.74 %	11.60 %	31.66 %	100.00 %
Fourth Quarter 2003	0.67	0.05	0.14	0.86
Percentage of Total	78.60 %	5.48 %	15.92 %	100.00 %
Cumulative to December 31, 2003	12.67	2.50	6.83	22.00
Percentage of Total	57.61 %	11.35 %	31.04 %	100.00 %

Details on the cumulative expenditures through December 31, 2003 using the Cash Flow Methodology are provided in Table 3.1.2 below.

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Historical Expenditures by Cash Flow Methodology
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Percentage of Total	54.7 %	30.1 %	15.2 %	100.0 %
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First Quarter 2003	55.7	45.5	21.8	123.0
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Cumulative to March 31, 2003	1,816.8	1,018.1	473.6	3,308.5
Percentage of Total	54.9 %	30.8 %	14.3 %	100.0 %
Second Quarter 2003	77.5	43.7	29.8	151.0
Percentage of Total	51.3 %	29.0 %	19.7 %	100.0 %
Cumulative to June 30, 2003	1,894.3	1,061.8	503.4	3,459.5
Percentage of Total	54.8 %	30.7 %	14.5 %	100.0 %
Third Quarter 2003	70.7	32.3	39.3	142.3
Percentage of Total	49.7 %	22.7 %	27.6 %	100.0 %
Cumulative to September 30, 2003	1,965.0	1,094.1	542.7	3,601.8
Percentage of Total	54.5 %	30.4 %	15.1 %	100.0 %
Fourth Quarter 2003	41.4	62.0	24.3	127.7
Percentage of Total	32.4 %	48.6 %	19.0 %	100.0 %
Cumulative to December 31, 2003	2,006.4	1,156.1	567.0	3,729.5
Percentage of Total	53.8 %	31.0 %	15.2 %	100.0 %

Details on cumulative person hours through December 31, 2003 are provided in Table 3.2 below. As well, please see Appendix 1 for a listing of 2003 labour hours by vendor.

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(in millions of Person Hours)

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Percentage of Total	40.85 %	15.13 %	44.02 %	100.00 %
Cumulative to December 31, 1999	5.93	1.48	5.25	12.66
Percentage of Total	46.84 %	11.69 %	41.47 %	100.00 %
Cumulative to December 31, 2000	8.39	1.74	5.36	15.49
Percentage of Total	54.20 %	11.22 %	34.58 %	100.00 %
Cumulative to December 31, 2001	9.75	1.90	5.49	17.14
Percentage of Total	56.86 %	11.11 %	32.03 %	100.00 %
Cumulative to December 31, 2002	10.73	2.19	6.04	18.96
Percentage of Total	56.61 %	11.54 %	31.85 %	100.00 %
First Quarter 2003	0.27	0.06	0.22	0.55
Percentage of Total	48.95 %	10.96 %	40.09 %	100.00 %
Cumulative to March 31, 2003	11.00	2.25	6.26	19.51
Percentage of Total	56.39 %	11.53 %	32.08 %	100.00 %
Second Quarter 2003	0.41	0.08	0.31	0.80
Percentage of Total	51.89 %	9.54 %	38.57 %	100.00 %
Cumulative to June 30, 2003	11.41	2.33	6.57	20.31
Percentage of Total	56.21 %	11.45 %	32.34 %	100.00 %
Third Quarter 2003	0.59	0.12	0.12	0.83
Percentage of Total	69.74 %	15.24 %	15.02 %	100.00 %
Cumulative to September 30, 2003	12.00	2.45	6.69	21.14
Percentage of Total	56.74 %	11.60 %	31.66 %	100.00 %
Fourth Quarter 2003	0.67	0.05	0.14	0.86
Percentage of Total	78.60 %	5.48 %	15.92 %	100.00 %
Cumulative to December 31, 2003	12.67	2.50	6.83	22.00
Percentage of Total	57.61 %	11.35 %	31.04 %	100.00 %

3.3 Employment Headcount

The Project employment headcount on December 31, 2003 was 1,269. Table 3.3 below includes those individuals working directly on the Sable Project and those working for major contractors on the specified reporting dates. Of the 1,269 people working on the Sable Project on December 31, 2003, 1,088 (85.7%) were working in Nova Scotia.

Table 3.3
Employment Headcount - Historic

Month	Activity in Nova Scotia	Activity in the rest of Canada	Total Project Activity
March 31, 2001	1,084		1,311
June 30, 2001	1,047	21	1,097
September 28, 2001	1,032	15	1,076
December 31, 2001	649	11	681
March 29, 2002	602	14	719
June 28, 2002	904	17	1,049
September 30, 2002	1,175	44	1,543
December 31, 2002	917	78	1,290
March 31, 2003	906	34	1,162
June 30, 2003	1,159	64	1,418
September 30, 2003	742	35	976
December 31, 2003	1,088	33	1,269

3.4 Residency of New Hires/Secondees

The total number of New Hires/Secondees reported for the Sable Project and its major contractors during the Fourth Quarter of 2003 was 147. Table 3.4 below shows the historic distribution of the residency of New Hires/Secondees for the Sable Project.

Table 3.4
Residency of New Hires / Secondees - Historic

Quarter	Nova Scotia	Other Canadian	Foreign	Total
First Quarter, 2001	150	10	29	189
Second Quarter, 2001	127	21	34	182
Third Quarter, 2001	83	41	38	162
Fourth Quarter, 2001	40	33	14	87
First Quarter, 2002	47	8	67	122
Second Quarter, 2002	85	19	158	262
Third Quarter, 2002	153	36	310	499
Fourth Quarter, 2002	39	20	149	208
First Quarter, 2003	91	20	103	214
Second Quarter, 2003	191	36	82	309
Third Quarter, 2003	416	15	12	443
Fourth Quarter, 2003	128	12	7	147

4.0 Aiding in the Development of a Sustainable Industry in Nova Scotia

During the Fourth Quarter and throughout the year 2003, initiatives related to developing and supporting a viable and increasingly sustainable gas industry in Nova Scotia continued to be undertaken. These initiatives have been divided into four core areas:

- Training and Education
- Technology Transfer
- Diversity and Inclusion
- Research and Development

Please note: Items in Section 4.0 may also be reported by ExxonMobil and affiliates in other reports.

4.1 Training and Education

During the year 2003, emphasis continued to be placed on relevant skill development in Nova Scotia related to the oil and gas industry. In addition to expenditures made on employee training, investments in community training and educational programs were also made.

Production Operations Training Capacity Development

The Angolan Instrument Technician Trainees continued their training at The Goldboro Gas Plant under the mentorship of a Gas Plant Instrument Technician. They have progressed well and have returned to Angola during the fourth quarter. They have been taught the ExxonMobil Safety culture and practices and will be able to take those learning's back to share with their fellow employees on the Kizomba project.

Training and education investments for the Fourth Quarter of 2003 are summarized in Table 4.1.1 below.

Table 4.1.1
Summary of Training and Education Investments
Fourth Quarter, 2003

Description of Training	Investment
Internal Training	\$183,917
Major Contractor Training	\$405,834
Co-op Programs	\$174,819
Community Training and Education Investments	\$148,136
Total for the Fourth Quarter, 2003	\$912,706

Cumulatively, over \$29.5 million has been invested in Training and Education, the following table shows the history of training and education investments.

Table 4.1.2
Training and Education Investments - Historic
(Including Co-op/Work Placement Programs and Community Training and Education Investments)

Quarter / Year	Investment
1998	\$7,027,316
1999	\$5,635,294
2000	\$3,296,130
2001	\$5,440,177
2002	\$4,071,942
First Quarter, 2003	\$937,350
Second Quarter, 2003	\$1,027,763
Third Quarter, 2003	\$1,188,563
Fourth Quarter, 2003	\$912,706
Cumulative to end of the Fourth Quarter, 2003	\$29,537,241

Co-op/Work Placements

Support for co-op and work placement programs continued through the Fourth Quarter of 2003. There were 15 new co-op and work placement opportunities for students of varied disciplines. Total expenditures on co-op/work placements exceeded \$174,000 in the Fourth Quarter. For the fourth year in a row, the Sable Project has increased its number of student employees through co-op programs, rising to 90 students in 2003.

Cumulative expenditures for the 389 co-op/work placements are provided in Table 4.1.3 below. Further details on 2003 co-op and work placements are also provided in Appendix 2.

Table 4.1.3
Co-op Work Placements - Historic

Quarter / Year	Number of Placements	Investment
1998	36	\$250,000
1999	61	\$325,263
2000	58	\$334,133
2001	71	\$608,394
2002	73	\$572,932
First Quarter, 2003	21	\$125,554
Second Quarter, 2003	34	\$258,633
Third Quarter, 2003	20	\$147,533
Fourth Quarter, 2003	15	\$174,819
Cumulative to the end of the Fourth Quarter, 2003	389	\$2,797,261

4.2 Technology Transfer

During the Fourth Quarter of 2003, expenditures related to technology transfer totaled more than \$1.6 million. Engineering expertise being transferred to Nova Scotia through Kvaerner SNC-Lavalin Offshore continued to represent a large portion of this transfer throughout the Fourth Quarter and the year 2003. The cumulative expenditures related to technology transfer are provided in Table 4.2 below. Also, Appendix 3 details technology transfer during the year 2003.

Table 4.2
Technology Transfer Investments - Historic

Quarter / Year	Investment
1998	\$972,655
1999	\$391,967
2000	\$7,625,490
2001	\$4,662,600
2002	\$4,149,458
First Quarter, 2003	\$1,718,240
Second Quarter, 2003	\$2,363,234
Third Quarter, 2003	\$1,351,258
Fourth Quarter, 2003	\$1,643,498
Cumulative to end of the Fourth Quarter, 2003	\$24,878,400

4.3 Diversity and Inclusion

Creating and maintaining an all inclusive and diverse workforce has been a priority for ExxonMobil. During the Fourth Quarter of 2003, and throughout the year, efforts continued to encourage representation of traditionally underrepresented groups, namely:

- Aboriginal Persons
- Persons with Physical/Mental Challenges
- Racially Visible Persons
- Women

ExxonMobil does not make assumptions about membership in a traditionally underrepresented group. Rather, ExxonMobil encourages "voluntary self-identification" which occurs when individuals identify themselves as members of a traditionally underrepresented group on an application/resume and/or proactively to their supervisor/organization, or through other voluntary means.

The following table provides a tally of individuals who identified themselves as a member of a traditionally underrepresented group during the period from the First Quarter of 2001 through the Fourth Quarter of 2003.

Table 4.3
Self-Identified Members of Traditionally Underrepresented Groups - Historic

Quarter	Aboriginal Persons	Racially Visible Persons	Women	Persons with Physical/Mental Challenges
First Quarter, 2001	10	6	83	5
Second Quarter, 2001	9	10	112	5
Third Quarter, 2001	8	12	99	2
Fourth Quarter, 2001	5	18	111	2
First Quarter, 2002	2	10	88	4
Second Quarter, 2002	5	7	85	4
Third Quarter, 2002	54	108	116	4
Fourth Quarter, 2002	20	20	81	2
First Quarter, 2003	13	20	90	4
Second Quarter, 2003	3	34	103	4
Third Quarter, 2003	4	14	104	4
Fourth Quarter, 2003	3	9	93	12

4.4 Research and Development

For the year 2003, over \$666,000 was invested in Nova Scotia in research and development by ExxonMobil, its partners and contractors. The cumulative investment in research and development from the Sable Project is over \$22.7 million.

Please see the table below for historic research and development investments and see Appendix 4 for a detailed list of research and development investments during the year 2003.

Table 4.4
Research & Development Investments - Historic

Quarter / Year	Investment
1995	\$121,500
1996	\$146,000
1997	\$3,888,373
1998	\$5,758,207
1999	\$2,813,428
2000	\$4,690,139
2001	\$2,564,786
2002	\$2,068,169
First and Second Quarters, 2003	\$172,347
Third Quarter, 2003	\$490,638
Fourth Quarter, 2003	\$3,400
Cumulative to end of the Fourth Quarter, 2003	\$22,716,987

Please note: An additional \$1,186,692 of R&D expenditure has been identified for the year 2002 from an intelligent pigging program on the Natural Gas Liquids pipeline between Goldboro and Point Tupper.

Appendix 1
Sable Project Person Hours
For the Year 2003

Vendors	2003	2003	2003	2003
	Nova Scotia	Canada	Foreign	TOTAL
4-Sight Consulting	0	0	309	309
935817 Alberta Limited	565	0	0	565
Abacus Security	474	0	0	474
ABB Inc.	5,673	2,282	0	7,955
Accent Engineering Consultants	69,250	2,111	25	71,386
AEA Technology	0	0	2,400	2,400
AMEC E&C Services Limited	12,209	0	0	12,209
Anchor Offshore Catering Limited	37,760	2,498	0	40,258
Asco Canada Limited	1,855	640	306	2,801
Atlantic Eagle (Atlantic Towing)	9,248	4,858	0	14,106
Atlantic Offshore Medical	6,792	0	0	6,792
Atlantic XL Inc.	1,330	18	0	1,348
Blue Water Agencies Limited	7,762	0	0	7,762
Brünell Energy Canada Inc.	0	474	0	474
Canadian Helicopters	52,582	23,233	0	75,815
CL Consultants	2,878	989	326	4,193
Coastal Oceans Associates Inc.	1,483	0	0	1,483
Comstock Canada Limited	476	16,268	0	16,744
Cooper Cameron Corporation	21,469	0	0	21,469
Coronado Consulting Limited	2,381	0	0	2,381
Datalog Canada	2,174	2,182	0	4,356
Douglas Technologies	1,915	0	489	2,404
Emerson Process Management	926	1,483	872	3,281
F I Oilfield Services Canada Limited	6,011	7,791	0	13,802
Fabcon Canada Limited	9,820	268	3,410	13,498
Fitzgerald, J.A. Consulting Services	1,808	0	0	1,808
Fleetway	138,642	9,078	2,673	150,392
Fugro Jacques Geosurveys Inc.	5,942	1,363	168	7,472
G. J. Cahill & Company Limited	1,191	24	35,637	36,852
George Leblanc Consulting Limited	2,008	0	0	2,008
Gulf Island LLC	2,156	0	308,835	310,991
Haliburton Energy Services	23,039	11,825	0	34,864
Heerema Marine Contractors	19,397	1,880	188,414	209,691
Hughes Christensen	1,373	755	19	2,147
Hydrossearch Canada Limited	7	0	72	79
Imperial Oil	667	0	0	667
Import Tool Corporation	7,958	352	2,928	11,238
Iron Mountain	54	0	0	54
Irving Shipbuilding	660,909	67,129	18,964	747,002
IWIS Limited	6,580	0	0	6,580
Jacques Whitford Environmental	1,336	16	0	1,352
Karlsen Shipping Company Limited	13,740	4,068	0	17,808
Kelly Services (Canada) Limited	13,779	120	0	13,899
KSLO	122,494	76,451	75,476	274,422
Lloyd's Register of Shipping	3,259	403	9,543	13,204
London Offshore Consultants Ltd.	0	0	2,143	2,143
M.I. Drilling Fluids Canada	8,430	948	876	10,254
Maersk Company Nova Scotia Limited	23,979	11,426	144	35,548
Mud Check, Inc.	0	0	407	407

Appendix 1
Sable Project Person Hours
For the Year 2003

Vendors	2003	2003	2003	2003
	Nova Scotia	Canada	Foreign	TOTAL
Murphy-Klatt (Atlantic)	6	0	0	6
Offshore Logistics	38,994	0	0	38,994
OGOP Oil and Gas Observer	28,857	818	0	29,675
OIS-Fisher Inc.	2,146	79	0	2,225
P.F. Collins	48	42	0	90
Pitney Bowes Management Services	9,334	176	0	9,510
Provincial Airlines	5,701	3,606	0	9,307
PV Inspection	3,061	1,489	13,197	17,747
Reliance Offshore Canada Inc.	14,520	2,212	0	16,732
R-F Ironworks Limited	1,815	0	0	1,815
RTD Quality Services Inc.	3,340	173	190	3,702
S & H Underwater	15	0	0	15
Saipem	39,312	2,121	44,840	86,273
SaiWoo Contracting	4,221	473	46,185	50,879
Santa Fe Drilling	200,291	0	19,224	219,515
Schlumberger of Canada	40,047	7,648	845	48,540
Scotia Ship Management	1,176	0	0	1,176
Secunda Marine	138,925	27,276	0	166,201
SGS Canada Inc.	14,962	1,018	0	15,981
Shell Canada Limited	2,520	1,680	0	4,200
Simmons, Frank Consulting Limited	291	0	0	291
Spectrol Group	4,714	3,655	1,886	10,256
Staffing Services International Inc.	5,130	0	0	5,130
Stewart McKelvey Stirling & Scales	16,020	0	0	16,020
Survival Systems Ltd.	204	0	0	204
Swaco Canada	9,957	180	0	10,137
Team Products and Services Limited	3,656	0	0	3,656
Technip Offshore Canada Limited	72	217	8,514	8,803
Thales Geosolutions Canada Limited	8,272	6,576	504	15,352
TJ Engineering Services Limited	0	185	0	185
W. LaBrash Consulting Inc.	2,208	0	0	2,208
Wade Company Limited	1,250	0	0	1,250
Weatherford	25,406	320	368	26,094

Appendix 2

Co-op and Work Placements for 2003

Discipline	Academic Institution and Location	Team
Accounting	Dalhousie University	ExxonMobil Canada
Accounting	Saint Mary's University	ExxonMobil Canada
Biological Engineering	Dalhousie University	ExxonMobil Canada
Chemical Engineering	Dalhousie University	ExxonMobil Canada
Chemical Engineering	Dalhousie University	ExxonMobil Canada
Mechanical Engineering	Dalhousie University	ExxonMobil Canada
Mechanical Engineering	Dalhousie University	ExxonMobil Canada
Chemical Engineering	Dalhousie University	Import Tools
Chemical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Chemical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Computer Science	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Computer Science	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Human Resources	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Mechanical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Mechanical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Mechanical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Mechanical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Mechanical Engineering	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Procurement (Commerce)	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Project Controls (Commerce)	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
Energy Training Program for Students	University College of Cape Breton	Kvaerner SNC-Lavalin Offshore (KSLO)
Chemical Engineering	Dalhousie University	SGS Canada Inc.
Chemical Engineering	Dalhousie University	ExxonMobil Canada
Biological Engineering	Dalhousie University	ExxonMobil Canada
Industrial Engineering	Dalhousie University	ExxonMobil Canada
Mechanical Engineering	University of Calgary	ExxonMobil Canada
Mechanical Engineering	Dalhousie University	ExxonMobil Canada
Electrical Engineering	Dalhousie University	ExxonMobil Canada
Accounting	Memorial University	ExxonMobil Canada
Environmental Engineering	Dalhousie University	ExxonMobil Canada
Commerce	Dalhousie University	ExxonMobil Canada
Offshore Operations	Nova Scotia Community College	ExxonMobil Canada
Petroleum Technology	College of the North Atlantic	ExxonMobil Canada
Mining	Dalhousie University	Halliburton
Mechanical Engineering	Dalhousie University	Halliburton
Document Control	Kings College	Irving Shipbuilding Inc.
Mechanical Engineering	University of New Brunswick	Irving Shipbuilding Inc.
Mechanical Engineering	Dalhousie University	ACCENT Engineering Consultants Incorporated
Finance	Dalhousie University	ACCENT Engineering Consultants Incorporated
Computer Engineering	Dalhousie University	ACCENT Engineering Consultants Incorporated
Chemistry	St. Francis Xavier University	ACCENT Engineering Consultants Incorporated
Chemistry	Dalhousie University	SGS Canada Inc.
Chemistry	University College of Cape Breton	SGS Canada Inc.
Naval Architecture	Memorial University of Newfoundland	SGS Canada Inc.
Naval Architecture	Memorial University of Newfoundland	London Offshore
Computer Science	Dalhousie University	London Offshore
Commerce	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)
	Dalhousie University	Kvaerner SNC-Lavalin Offshore (KSLO)

Appendix 4

Research and Development Investments for 2003

Recipient	Program Description	Investor
Nova Scotia Students	Bursaries	ExxonMobil Canada
ExxonMobil Canada	Corrosion rate determination.	ExxonMobil Canada
ExxonMobil Canada	Drag reducing agent.	ExxonMobil Canada
Petroleum Research Atlantic Canada (PRAC)	Program funding	Shell Canada
Jacques Whitford	Experimenting with different equipment and techniques as a means of determining the most effective way to collect data as it relates to environmental monitoring. Findings are being used in research on the effects of oil and gas developments.	Jacques Whitford
SGS Canada Inc.	Method Development (Glycol determination of overboard water) - developing a technique for determining glycol in produced water which has high interferences such as salt additives.	SGS Canada Inc.
Thales Geosolutions (Canada) Ltd.	Development of ROV Auxiliary Survey Sensor Pod technology.	Thales Geosolutions (Canada) Ltd.
Saipem S.p.A. Canada	Developed a program to make better utilization of pressure data for depth determination.	Saipem S.p.A. Canada
ExxonMobil Canada Ltd.	Drag Reducing Agent	ExxonMobil Canada Ltd.
SGS Canada Inc.	Method Development - developing a technique for determining glycol in produced water which has high interferences such as salt and additives.	SGS Canada Inc.
ExxonMobil Canada Ltd.	Global Practices and Data Review of EEM Program	ExxonMobil Canada Ltd.
SGS Canada Inc.	Reduction of analysis time by 30% for CGSB analysis by optimized GC run parameters.	SGS Canada Inc.