

**CANADA-NOVA SCOTIA
BENEFITS REPORT
1996**

March 31, 1997



PREFACE

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a) is **CONFIDENTIAL** under the terms of the Access to Information Act (Canada) and is not to be released or made public except as provided in the Act;

b) is **CONFIDENTIAL** under the terms of the Freedom of Information and Protection of Privacy Act (Nova Scotia) as disclosure would affect the continued access to such information, would affect the competitive position of the entities described herein and result in undue financial loss and access thereto should be refused pursuant to the Act;

c) is **PRIVILEGED** under section 122(2) of the Canadian-Nova Scotia Offshore Petroleum Resources Accord Implementation Act (Canada) and is not to be released or made public except as provided in the Act; and

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Any notices regarding this matter should be sent to:

Mobil Oil Canada Properties
P.O. Box 800
Calgary, Alberta
T2P 2J7

Attention: Vice-President, Frontier Development

If information is to be released, figures should be expressed in aggregate form to protect the competitive position of the business entities.

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1.0 INTRODUCTION

This is the 1996 Annual Canada-Nova Scotia Benefits Report for Sable Offshore Energy Project work. It is submitted to the Canada Nova Scotia Offshore Petroleum Board in accordance with the requirements of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Act*, and the *Canada-Nova Scotia Offshore Petroleum Resource Accord Implementation (Nova Scotia) Act*.

The report outlines 1996 work activities, benefits content, research and development, and special benefits activities.

SOEP received benefits content information through ongoing reporting from the major contractors and suppliers. SOEP used researched estimates for minor contractors and suppliers. The Canadian General Standards Board document CAN2-147.3-82 was referenced for definitions of Canadian content. The results are outlined in Appendices 1, 2 and 3.

2.0 SABLE OFFSHORE ENERGY PROJECT (SOEP)

The Sable Offshore Energy Project involves the development of the natural gas reserves near Sable Island, approximately 250 kilometers offshore Nova Scotia. Now in the final stage of its pre-development work, the SOEP will develop six natural gas fields near Sable Island and bring the gas ashore to Goldboro, Nova Scotia via an undersea pipeline.

Participants in the project during 1996 were Mobil Oil Canada Properties (50 per cent), Shell Canada Limited (35 per cent), Imperial Oil Resources Limited (9 per cent), and Nova Scotia Resources Limited (6 per cent).

In 1996 the project:

- Concluded negotiations with the Nova Scotia Government on fiscal terms. (Royalty)
- Filed the regulatory application with the CNSOPB, NEB and Government of Nova Scotia in mid year.
- Initiated Front End Engineering and Design (FEED)

Considering the regulatory approval procedures, a "Hearing Order" was issued on December 16, 1996. The public hearings will commence in April 1997.

2.1 Commitment to Canada-Nova Scotia Benefits

Notwithstanding our commitment to SOEP's Project Principles and Guidelines regarding "International Competitiveness" and "Best Value", SOEP intends to restrict Bid Solicitation to Canadian sources where sufficient qualified Canadian Bidders are available to assure fair competition and "Best Value." We will give preference to qualified Nova Scotians followed by other Canadians when preparing bid lists and "First Consideration" on award. Capability to support the ongoing project beyond construction will be considered, where appropriate, as part of "Best Value."

SOEP will proactively seek out Nova Scotian and other Canadian Companies to participate in the Project. We will, by survey and by advertisement, identify potential companies to prequalify for inclusion on the bidders list. Nova Scotians will receive bidding opportunity preference and where sufficient sources are found within the Province we will seek no farther. The Identified companies will be offered advice on issues which would improve their competitiveness in bidding and their qualification for the work. Those companies attaining qualified status will be placed on the bid list after which "sealed competitive bid" procedures will be observed. Improved Contractor Facilities, knowledge and technology that would result from award and subsequent ability to undertake future work will also be evaluated as part of qualification.

Actions under this procedure are already underway in Nova Scotia, Forums and Open Houses have been held in the Province targeting local and regional concerns at the individual original industry association and local authority level. We have set up a Benefits Advisory Committee which keeps interested parties apprised of SOEP Project opportunities and allows input into SOEP's Benefits Policy. On specific opportunities we have met with potential platform and jacket fabricators, the Professional Engineers, and Canadian Steel manufacturers. We will continue in this manner to cover all opportunities as they arise. In addition, SOEP will ensure it's Alliance partners and major contractors follow these principles where services and goods are required in respect of the contractor's scope of work.

2.2 Development of Contract Bidding Strategy

SOEP was active in 1996 in the preparation of bid documents and strategies for the Main Alliance contracts and Early Jacket programs.

SOEP's contracting strategy is designed to enhance opportunities for Canadian/Nova Scotian companies to bid for work on the project. The strategy consists of requiring the Main Alliance contractors to sub-contract as many of the services, goods and materials required to complete their portion of the work. For example, the main subsea pipeline contractor will bring to the project their expertise and the pipelay vessel. Support vessels, such as barges, tugs, surveys, and consumables required for the work will be tendered competitively, thus providing opportunity for Nova Scotia and Canada.

This strategy applies to all Alliance members and their major sub-contractors

The Alliance package for the Main Jackets/Decks was issued on the basis of allowing bidders to select which unit of work they prefer to bid, dependent on their own assessment of capability, business plan, capacity etc. In this way, a larger number of Canadian and Nova Scotian fabricators will be able to participate.

As part of the strategy for the onshore facilities, the successful contractor will be required to obtain, on a competitive basis, construction labour/services and materials, which will provide Nova Scotia subcontractors/suppliers with significant opportunities.

In all of the strategies, SOEP has provided substantial opportunity for Canada and Nova Scotia to participate competitively. The operator plans to work closely with the Alliance members to seek ways in which to provide further opportunities to Nova Scotia and Canada.

2.3 Operations Systems Development

In an effort to learn the best operational practices, with the aim of optimizing the operations ability to meet its objectives, SOEP undertook a bench marking survey of ten North Sea, five Gulf of Mexico and three Canadian East Coast operators in 1996.

Based on the knowledge gained by in-depth interviews with other operators such as Mobil North Sea Limited and British Petroleum, a SOEP operations strategy and philosophy was developed. The creation of the SOEP operations system was influenced by the key findings from the bench mark survey. This survey identified the importance of flexible, multi-skilled employees, and the necessity for an operations system that aims at continuous improvement.

3.0 1996 Work Activities

The following section outlines various work activities carried out during 1996. The benefits data from each activity is reported in Appendices 1 and 2.

3.1 Branta Biostrata-Biostratigraphy

Branta Biostrata of Calgary, performed a biostratigraphy study in 1996 for SOEP. Branta Biostrata's president and principal scientist Dr. Ed Davies performed the work.

The study's main objective was to provide a chronostratigraphic framework for correlating the reservoir zones between the South Venture O-59 well the Venture B-52 well. A secondary objective was to provide estimates of paleowater depth in order to help with interpretations of depositional environments.

In order to accomplish these objectives, Dr. Davies studied 63 existing palynology slides from South Venture O-59 well and 85 existing palynology slides from Venture B-52 well. In addition, 23 sidewall core samples from O-59 well were processed for palynology and these new slides were also examined in detail.

Canada Benefits from this project have been positive but, will be reported in the 1997 Annual Report due to billing procedures.

3.2 Western Geophysical-Ocean Bottom Cable Seismic Survey Program

Western Geophysical developed new procedures for deploying Ocean Bottom Cables (OBC) through three marine zones. Western Geophysical's employment of the new technology for seismic exploration represented the first time OBC technology has been used offshore Canada in water of these depths.

The operation utilized state-of-the-art seismic recording equipment mounted onboard the R/V Western Polaris with three vessels using DGPS positioning to locate and deploy recording equipment and seismic sound source.

A variety of support systems, covering several scientific disciplines, were used. These included: Pelagos Atlantic for navigation, weather and satellite positioning; Seimac Limited for weather forecasting, and Dominion Diving.

Western Geophysical worked with a number of suppliers, including: Nova Scotia ports such as Sheet Harbour, Mulgrave and Halifax; environmental researcher and biologist Zoe Lucas; local specialty fabrication contractor Fabco; Environment Canada, Halifax Harbourmaster and the Canadian Coast Guard/ECAREG.

On behalf of Western Geophysical, Reliance Offshore Canada Inc. coordinated the recruitment, training and employment of Canadians for the project. Fifty-two Canadians, including forty-nine Nova Scotians and three Newfoundlanders, were employed in a variety of positions on Western Geophysical ships and thirty-seven people from Nova Scotia worked in onshore support positions.

3.3 Martec Limited-Oceanographic Studies

On behalf of the SOEP in 1996, Martec Limited, which specializes in research in engineering and ocean sciences, developed new technology in association with other organizations.

Martec Limited interacted with several organizations, such as:

- a) Oceanweather Inc. and Offshore Coastal Technologies Inc., in the transfer of state-of-the-art ocean wave generation and modification procedures;
- b) Oceanography Department of Dalhousie University in the transfer of ocean current modeling technology; and
- c) Mobil Technology in Dallas in the transfer of analysis procedures appropriate to the offshore region.

3.4 Nortech Jacques Whitford Surveys Inc. - Geotechnical/Geophysical

Nortech Jacques Whitford Surveys Inc. (NJW) provided the following work activities in 1996:

- a) Two swath bathymetry surveys consisting of over 2000 line kilometers of sounding data;
- b) A geotechnical program of 175 bottom penetrations; and
- c) A geophysical survey of the proposed undersea pipeline corridor from the field installation to landfall at Country Harbour, Nova Scotia.

NJW's objective was to link science and engineering, with the aim of helping the SOEP proponents make informed decisions relating to cost effective design and installation of the field development.

NJW's work involved a significant technology transfer between NJW and the Canadian Hydrographic Service in the area of swath bathymetry.

NJW used the latest advancements in digital data acquisition and processing tools to cost effectively merge and manipulate the various data sets to meet the engineering demands of SOEP.

In partnership with the University of New Brunswick, NJW successfully linked the service industry, academia and SOEP engineers in the pipeline design process.

3.5 MacLaren Plansearch

MacLaren Plansearch was responsible for the preparation of the environmental impact assessment and related studies on behalf of SOEP.

The work activities undertaken in 1996 were: public consultation, land use, community socioeconomic impacts, oceanographic studies, modeling of oil-based muds, visibility analysis, and document design compilation.

MacLaren consolidated input from thirteen Nova Scotia companies. The list includes: ARA Consulting Group Inc., Canadian Seabed Research Limited, CEF Consultants Limited, Davis Archaeological Consultants Limited, Envirosphere Consultants Limited, Griffiths Muecke Associates, Land and Sea Environmental Consultants Limited, Martec Limited, Oceandyne Environmental Consultants, Bland Research Applications, Valley Environmental Services Limited, Washburn & Gillis Limited, and William Alexander & Associates Limited.

3.6 ADI Nolan Davis Limited-Consulting Services

ADI Nolan Davis provided consulting services for the Alternate Onshore Sites, Preliminary Geotechnical and Environmental Survey.

ADI completed these activities in association with the following subcontractors: Northumberland Surveys, Boart Longyear Drilling Services, the Technical University of Nova Scotia, Dominion Diving, G.F. MacDonald and Sons Excavating, Brian Hudson and Son, and MDS Environmental Services Ltd.

4.0 1996 SPECIAL WORK ACTIVITIES

4.1 SOEP Office in Halifax established

The SOEP office was established in August 1996. Since it opened, it has been utilized extensively to support regulatory, public relations and procurement efforts.

A primary purpose of this office is to provide direct contact with the Nova Scotia supply sector. The office has a resident purchasing representative for one-on-one discussions with prospective suppliers. This effort has assisted in the development of preliminary bidders lists for the supply of engineering services, quality assurance services, and drilling jacket fabrication and steel supply.

4.2 SOEP DPA Transfer to CD ROM

Using new technologies in the project, the proponents employed William Alexander & Associates to provide CD-ROM technology for the Development Plan and other related filings.

The CD-ROM made available on one disc SOEP's 1600+ page, five-volume DPA. Included in the CD are the three addenda to the DPA. The CD ROM has upwards of 500 graphics, including graphs, tables, maps and photos. It is available by request, and available at CD ROM-equipped local libraries, government offices, industry association offices, public schools, as well as universities.

5.0 BENEFITS CONTENT

During 1996, a substantial amount of employment and expenditures accrued to Nova Scotian and Canadian companies.

Expenditures by SOEP totaled over \$20 million and 68 per cent of these expenditures were from work done in Nova Scotia and Canada. Direct employment from these expenditures resulted in approximately 356,747 person-hours and 486 direct positions. Of these hours, 32 per cent were completed by Nova Scotia residents and 27 per cent were completed by other Canadian residents. See figures 1 and 2 below. Project Cumulative totals are in figures 3 and 4.

There are three appendices within this report. Appendix 1 is Contractor Expenditure data. This information was gathered from the collection of Expenditure Reports (Attachment B) throughout 1996. Appendix 2 is the "Vendor Select," information from this report was gathered through accounting data. These two Appendices will vary due to billing and payment procedures. Appendix 3 is Direct Employment data. This data was gathered from the collection of Monthly Employment Reports (Attachment A) throughout 1996.

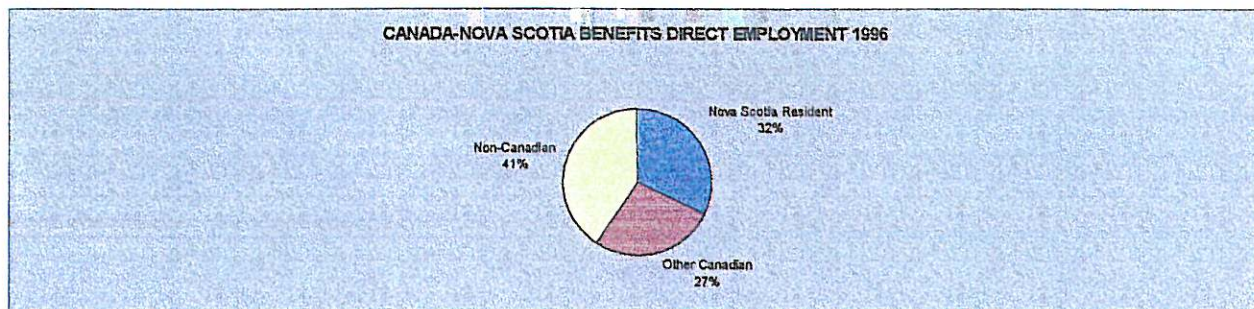


Figure 1

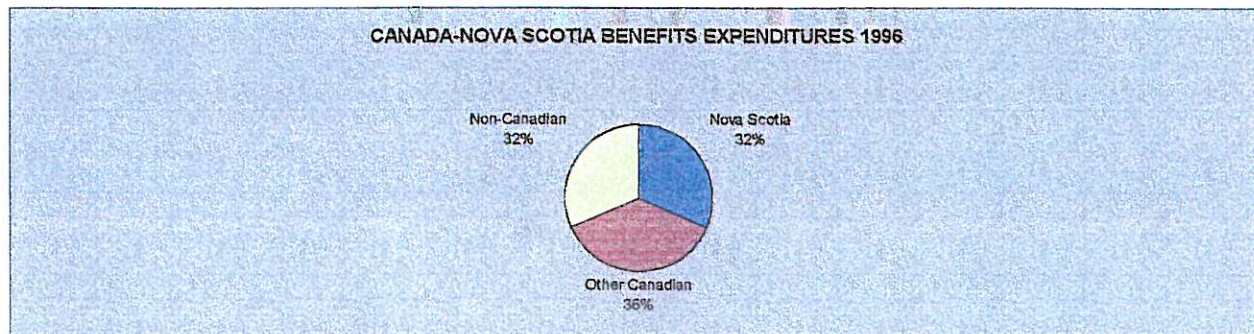


Figure 2

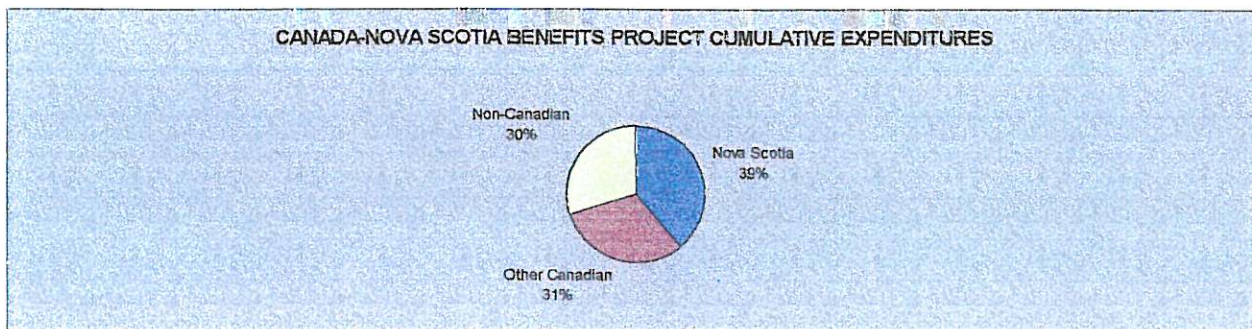


Figure 3

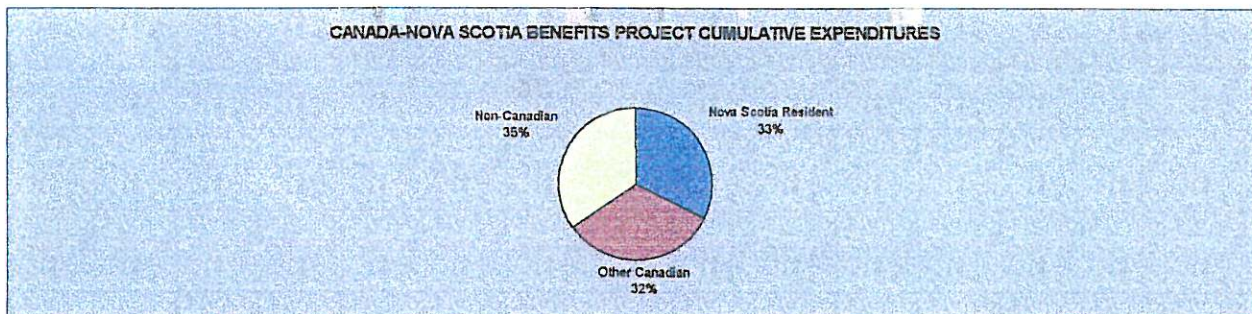


Figure 4

The high Canadian and Nova Scotia content is reflective of SOEP's continued commitment to:

- 1) providing suppliers of goods and services in Nova Scotia and other parts of Canada with full and fair opportunity to participate in the supply of goods and services on an internationally competitive basis;
- 2) ensuring that first consideration is given to individuals resident in Nova Scotia for training and employment, consistent with the Canadian Charter of Rights and Freedom, and for services provided and goods manufactured in Nova Scotia where those services are competitive in terms of fair market price, quality and delivery; and
- 3) ensuring the long term economic viability and international competitiveness of the project for all stakeholders, by obtaining "best value" in the design and implementation of projects. Best value represents a blend of total cost, quality, technical suitability, reliability, delivery and assurance of supply, while at the same time meeting or exceeding safety and environmental standards.

6.0 RESEARCH AND DEVELOPMENT

6.1 Geological Survey of Canada

SOEP Involvement with the Geological Survey of Canada

SOEP and the Geological Survey of Canada (GSC) undertook a collaborative research project in 1996. The objective was to examine fault distribution and characteristics of the Glenelg gas field in the Sable Basin. This is one of the six gas fields to be developed offshore Nova Scotia.

The fault analysis project allowed the GSC access to 3D seismic data. This helped to extend GSC's understanding of the role major faults play in controlling the distribution of gas reserves.

6.2 Washburn & Gillis Associates Limited

Washburn & Gillis Associates Limited (W&GA), in association with other Nova Scotia firms, provided an environmental assessment for SOEP.

The primary tasks were: the assessment of the proposed natural gas liquids pipeline route and the proposed liquids facility site at Point Tupper, a description of various portions of the onshore development, and the biophysical environment at the gas processing plant.

Information from the assessment is publicly available and will be of direct benefit to future work undertaken in the area by local or provincial governments or developers of future projects.

6.3 SOEP Industrial Partnership with Bedford Institute of Oceanography

SOEP is continuing an industrial partnership with the Atlantic Geoscience Centre of the Bedford Institute of Oceanography for a second year. This program includes funding for the development of a Depth of Disturbance Observatory (formerly known as DODO, now RALPH) and its deployment on the Scotian shelf in the vicinity of SOEP fields like Thebaud. This observatory is making direct observation of the depth of the mobile layer of sand on the shelf and is helping to confirm SOEP's design burial depths for pipelines.

Of our approximately \$80,000 contribution this year, \$30,000 will be devoted to putting 2 SOEP contractor staff on board the spring GSC-A CREED cruise to map the Scotian Shelf using SWATH. The remaining \$50,000 is funding one post-doctorate student to work with Dr. Carl Amos in processing the wealth of data that has already been collected.

7.0 SPECIAL BENEFITS ACTIVITIES

7.1 Workshops

The operator was active in 1996 with extensive SOEP public consultation programs and initiatives. These are some of the most recent SOEP workshops, seminars and information sessions held throughout Nova Scotia:

1996

July - August
Meetings with OTANS, Voluntary Planning

August 27
Business Opportunities Workshop
Halifax

September 17
Information Session
Guysborough

September 18
Information Session
Goldboro

September 19
Information Session
Country Harbour

September 27
Trade Show
Port Hawkesbury

September 29
Business Opportunities Workshop
Port Hawkesbury

October 9-10
CORE Conference Trade Show
Halifax

October 9
Business Opportunities Workshop
Halifax

November
Trade Show
Guysborough

November 24
Contracting Strategies Session
Halifax

November 26
Contracting Strategies Session
Port Hawkesbury

7.2 Canadian Steel Suppliers

In an effort to maximize benefits for Canadian and Nova Scotian companies SOEP worked with and evaluated the capabilities of Canadian Steel Suppliers.

Meetings were held with Stelco and Algoma who manufacture steel plate in Canada. SOEP discussed its proposal for the structural steel specification with the companies and asked them for feedback on the BS7 191 document on which the SOEP specification is based. The companies' comments were reviewed and in several cases SOEP amended its specification to provide better opportunities for both companies.

At this stage of the project, the proponents are not able to technically recommend either steelmaker. It is anticipated that, with further work, some of the problems may be able to be resolved. After further evaluation the proponents may be in a position to recommend the companies addition to the bid list to provide primary and secondary steel for Jackets and Topsides structures.

7.3 Sable Island Environmental Protection

SOEP supported the work of Zoe Lucas during the Seismic program. Zoe Lucas monitored the activities of the on-island portion of the seismic program from an environmental perspective.

Zoe Lucas was responsible for:

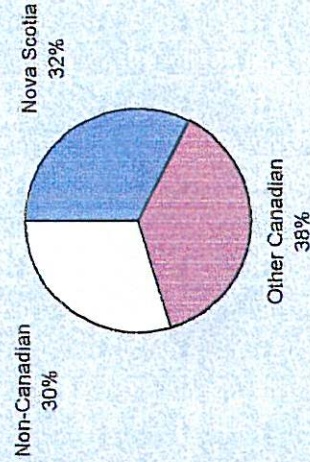
- a) Ensuring that all personnel were familiar with environmental concerns associated with operations on Sable Island;
- b) Review of all proposed on-island work and site selection, to ensure that activities associated with deployment and retrieval of equipment and transportation and accommodation of personnel caused no environmental damage;
- c) Monitoring the work for unanticipated environmental issues; and
- d) Inspection of work sites following termination of seismic work, and report preparation.

APPENDIX 1

SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT

Summary (Contractor Expenditures)					
Category	Expenditure Content				
	Nova Scotia	Other Canadian	Non-Canadian	Totals	
Materials	\$ 1,161,786.36	\$ 57,007.36	\$ 1,794,773.14	\$ 3,013,566.86	
Labour	\$ 2,119,605.44	\$ 3,180,541.03	\$ 1,481,106.50	\$ 6,781,252.97	
Services	\$ 2,208,339.91	\$ 3,236,453.01	\$ 1,690,727.32	\$ 7,135,520.24	
Other	\$ 298,757.52	\$ 274,861.36	\$ 370,241.30	\$ 943,860.18	
Sub-Total	\$ 5,788,489.23	\$ 6,748,862.76	\$ 5,336,848.26	\$ 17,874,200.25	
Content Percent	32%	38%	30%	100%	

CANADA-NOVA SCOTIA BENEFITS CONTRACTOR EXPENDITURES 1996



**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number	
A. D. I. Nolan Davis	Geotechnical/Environmental	John J. Brisbois	902-453-5555	
Occupation		Expenditure Content		
		Nova Scotia	Other Canadian	Non-Canadian
Materials	\$	649.23		\$ 649.23
Labour	\$	43,675.45	\$ 1,232.00	\$ 44,907.45
Services	\$	56,009.39		\$ 56,009.39
Other				\$ -
Sub-Total	\$	100,334.07	\$ 1,232.00	\$ 101,566.07
Content Percent		99%	1%	0%
				100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Canning & Pitt Associates Inc.		Straford Canning	709-754-1408	
Occupation		Expenditure Content		
		Nova Scotia	Other Canadian	Non-Canadian
Materials				\$ -
Labour			\$ 682.50	\$ 682.50
Services				\$ -
Other	\$	5,816.95		\$ 5,816.95
Sub-Total	\$	5,816.95	\$ 682.50	\$ 6,499.45
Content Percent		89%	11%	0%
				100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Bennett Jones Verchere	Legal	Laurie E. Smith	403-298-3315	
Occupation		Expenditure Content		
		Nova Scotia	Other Canadian	Non-Canadian
Materials				\$ -
Labour				\$ -
Services	\$	12,960.50	\$ 282,994.50	\$ 295,955.00
Other	\$	1,757.11	\$ 33,080.00	\$ 34,837.11
Sub-Total	\$	14,717.61	\$ 316,074.50	\$ 330,792.11
Content Percent		4%	96%	0%
				100%

**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number			
Cautley Enterprises	Project Analysis	A. C. Churcher	403-225-1032			
Occupation		Expenditure Content				
	Nova Scotia	Other Canadian	Non-Canadian	Totals		
Materials				\$ -		
Labour	\$ 3,500.00	\$ 6,300.00	\$ 4,000.00	\$ 13,800.00		
Services				\$ -		
Other				\$ -		
Sub-Total	\$ 3,500.00	\$ 6,300.00	\$ 4,000.00	\$ 13,800.00		
Content Percent	25%	46%	29%	100%		

Contractor	Type of Contract	Contact Name	Telephone Number			
CDN Seabed Research	Bathymetry	Glen Gilbert	902-827-4200			
Occupation		Expenditure Content				
	Nova Scotia	Other Canadian	Non-Canadian	Totals		
Materials	\$ 12,787.00			\$ 12,787.00		
Labour	\$ 2,120.00			\$ 2,120.00		
Services	\$ 32,987.00			\$ 32,987.00		
Other	\$ 262.00			\$ 262.00		
Sub-Total	\$ 48,156.00	\$ -	\$ -	\$ 48,156.00		
Content Percent	100%	0%	0%	100%		

Contractor	Type of Contract	Contact Name	Telephone Number			
CSC Project Management	Risk Management	Stan Wilson	403-233-7994			
Occupation		Expenditure Content				
	Nova Scotia	Other Canadian	Non-Canadian	Totals		
Materials		\$ 98.40		\$ 98.40		
Labour		\$ 58,215.00		\$ 58,215.00		
Services		\$ 6,332.50		\$ 6,332.50		
Other		\$ 4,525.24		\$ 4,525.24		
Sub-Total	\$ -	\$ 69,171.14	\$ -	\$ 69,171.14		
Content Percent	0%	100%	0%	100%		

**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number
Design Group, The	Geoscience	Mobil Estimate	
Occupation		Expenditure Content	
	Nova Scotia	Other Canadian	Non-Canadian
Materials			Totals
Labour			
Services		\$ 59,877.00	\$ 59,877.00
Other			\$ -
Sub-Total	\$ -	\$ 59,877.00	\$ -
Content Percent	0%	100%	0%

Contractor	Type of Contract	Contact Name	Telephone Number
Eastcan Group, The	Surveys/Mapping	Bob Feindel	902-468-7901
Occupation		Expenditure Content	
	Nova Scotia	Other Canadian	Non-Canadian
Materials			Totals
Labour			
Services	\$ 10,046.08	\$ 2,325.00	\$ 7,721.08
Other			\$ -
Sub-Total	\$ 10,046.08	\$ 2,325.00	\$ 7,721.08
Content Percent	50%	12%	38%

Contractor	Type of Contract	Contact Name	Telephone Number
Epix Design	Graphic Design	Mobil Estimate	
Occupation		Expenditure Content	
	Nova Scotia	Other Canadian	Non-Canadian
Materials			Totals
Labour		\$ 11,590.50	\$ 11,590.50
Services			\$ -
Other		\$ 812.00	\$ 812.00
Sub-Total	\$ -	\$ 12,402.50	\$ -
Content Percent	0%	100%	0%

**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number	
Exploration Consultants		Dave Neil	403-260-7211	
Occupation		Expenditure Content		
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour	\$ 211,006.86			\$ 211,006.86
Services	\$ 177,402.10			\$ 177,402.10
Other	\$ 2,344.49		\$ 17,030.34	\$ 19,374.83
Sub-Total	\$ 390,753.45	\$ -	\$ 17,030.34	\$ 407,783.79
Content Percent	96%	0%	4%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Grammaticus Group, The	Public Affairs	Graeme Connell	902-496-0955	
Occupation		Expenditure Content		
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services	\$ 103,747.40	\$ 39,100.00		\$ 142,847.40
Other				\$ -
Sub-Total	\$ 103,747.40	\$ 39,100.00	\$ -	\$ 142,847.40
Content Percent	73%	27%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Martec Limited	Oceanographic Studies	Dr. J. L. Warner	902-425-5101	
Occupation		Expenditure Content		
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour	\$ 96,500.00			\$ 96,500.00
Services				\$ -
Other	\$ 6,700.00			\$ 6,700.00
Sub-Total	\$ 103,200.00	\$ -	\$ -	\$ 103,200.00
Content Percent	100%	0%	0%	100%

**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number	
MacLaren Plansearch		Mike Cboien	403-298-4985	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour	\$ 269,024.67			\$ 269,024.67
Services	\$ 67,384.52			\$ 67,384.52
Other	\$ 70,634.28			\$ 70,634.28
Sub-Total	\$ 407,043.47	\$ -	\$ -	\$ 407,043.47
Content Percent	100%	0%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Monenco Agra Brown & Root	Project Management	Hugh MacIntyre	403-298-4530	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services	\$ 69,303.11	\$ 2,527,884.81	\$ 333,281.37	\$ 2,930,469.29
Other				\$ -
Sub-Total	\$ 69,303.11	\$ 2,527,884.81	\$ 333,281.37	\$ 2,930,469.29
Content Percent	2%	86%	14%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Nolark Resources Inc.	Project Scheduling/Economics		403-246-4476	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services	\$ 15,600.00	\$ 134,375.00	2600	\$ 149,975.00
Other	\$ 3,419.87	\$ 620.03	608.84	\$ 4,039.90
Sub-Total	\$ 19,019.87	\$ 134,995.03	\$ 3,208.84	\$ 154,014.90
Content Percent	12%	88%	2%	100%

**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number	
Nortech Jaques Whitford	Geotechnical/Geophysical	Mike Cole	709-726-4252	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials	\$ 13,000.00	\$ 44,528.96	\$ 14,200.00	\$ 71,728.96
Labour	\$ 159,712.50	\$ 60,157.63	\$ 78,669.16	\$ 298,539.29
Services	\$ 337,668.18	\$ 133,070.00	\$ 62,356.24	\$ 533,094.42
Other				\$ -
Sub-Total	\$ 510,380.68	\$ 237,756.59	\$ 155,225.40	\$ 903,362.67
Content Percent	56%	26%	17%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Nortech Surveys	Swathymetry/Bathymetry	Mike Cole	709-726-4252	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials		\$ 12,380.00		\$ 12,380.00
Labour	\$ 13,100.00	\$ 61,525.00		\$ 74,625.00
Services	\$ 142,017.00	\$ 15,940.00		\$ 157,957.00
Other		\$ 756.00		\$ 756.00
Sub-Total	\$ 155,117.00	\$ 90,601.00	\$ -	\$ 245,718.00
Content Percent	63%	37%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Olsten Staffing Service	Temporary Assistant	Mobil Estimate		
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services		\$ 3,446.86		\$ 3,446.86
Other				\$ -
Sub-Total	\$ -	\$ 3,446.86	\$ -	\$ 3,446.86
Content Percent	0%	100%	0%	100%

SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT

Contractor	Type of Contract	Contact Name	Telephone Number	
Ray Kadonaga & Associates	Project Economics	Ray Kadonaga	403-260-7372	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services		\$ 1,950.00		\$ 1,950.00
Other				\$ -
Sub-Total	\$ -	\$ 1,950.00	\$ -	\$ 1,950.00
Content Percent	0%	100%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Selmac	Weather Forecasting	Susan Woodbury	902-468-3007	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services	\$ 24,990.92			\$ 24,990.92
Other	\$ 4.50			\$ 4.50
Sub-Total	\$ 24,995.42	\$ -	\$ -	\$ 24,995.42
Content Percent	100%	0%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Stewart McKelvey Stirling & Scales	Legal	Jim Dickson	902-420-3308	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services	\$ 387,042.11			\$ 387,042.11
Other	\$ 21,492.62			\$ 21,492.62
Sub-Total	\$ 408,534.73	\$ -	\$ -	\$ 408,534.73
Content Percent	100%	0%	0%	100%

**SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT**

Contractor	Type of Contract	Contact Name	Telephone Number	
Total Overhead & Secretarial	Temp. Office Assistant	D. Beidel	403-264-8677	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour				\$ -
Services		\$ 29,157.34		\$ 29,157.34
Other				\$ -
Sub-Total	\$ -	\$ 29,157.34	\$ -	\$ 29,157.34
Content Percent	0%	100%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
Western Atlas International	Seismic	William Parker	902-429-5680	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials	\$ 907,849.13		\$ 1,780,573.14	\$ 2,688,422.27
Labour	\$ 948,378.11	\$ 66,197.33	\$ 1,318,542.78	\$ 2,333,118.22
Services	\$ 589,021.15		\$ 1,284,768.63	\$ 1,873,789.78
Other	\$ 164,817.85	\$ 235,068.09	\$ 352,602.12	\$ 752,488.06
Sub-Total	\$ 2,610,066.24	\$ 301,265.42	\$ 4,736,486.67	\$ 7,647,818.33
Content Percent	34%	4%	62%	100%

Contractor	Type of Contract	Contact Name	Telephone Number	
William Alexander & Associates	Promotional Writing	James O'Hagen	902-492-0008	
Occupation	Expenditure Content			
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials	\$ 227,501.00		\$ -	\$ 227,501.00
Labour				\$ -
Services	\$ 311,502.00			\$ 311,502.00
Other	\$ 37,765.00			\$ 37,765.00
Sub-Total	\$ 576,768.00	\$ -	\$ -	\$ 576,768.00
Content Percent	100%	0%	0%	100%

SABLE OFFSHORE ENERGY PROJECT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
CONTRACTOR EXPENDITURE CONTENT REPORT

Contractor	Type of Contract	Contact Name	Telephone Number	
Shell Canada Limited	Operator	Nick D'Amato		
Occupation		Expenditure Content		
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour	240552.61	984077.59	10,000.12	\$ 1,234,630.32
Services				\$ -
Other				\$ -
Sub-Total	\$ 240,552.61	\$ 984,077.59	\$ 10,000.12	\$ 1,234,630.32
Content Percent	19%	80%	1%	100%

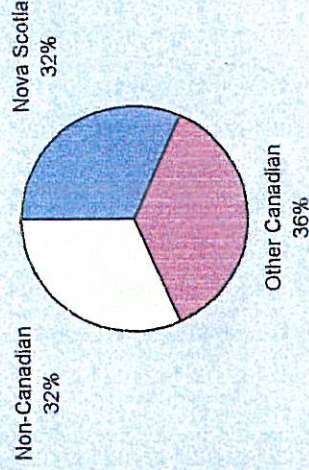
Contractor	Type of Contract	Contact Name	Telephone Number	
Mobil Oil Canada Properties	Lead Operator	Myles Fox	403-260-7825	
Occupation		Expenditure Content		
	Nova Scotia	Other Canadian	Non-Canadian	Totals
Materials				\$ -
Labour	132035.24	1930563.48	69,894.44	\$ 2,132,493.16
Services				\$ -
Other				\$ -
Sub-Total	\$ 132,035.24	\$ 1,930,563.48	\$ 69,894.44	\$ 2,132,493.16
Content Percent	6%	91%	3%	100%

APPENDIX 2

JAB OFFICE OF THE CLERK OF THE PEOPLES
 CANADA NOVA SCOTIA BENEFITS
 YEAR ENDING DECEMBER 31, 1996
 EXPENDITURE CONTENT REPORT

Summary (Vendor Select)			
	Nova Scotia	Other Canadian	Non-Canadian
	\$ 6,459,475.14	\$ 7,473,393.39	\$ 6,446,815.09
TOTALS			\$ 20,379,683.62

Canada-Nova Scotia Benefits Expenditures 1996



**SABLE OFFSHORE ENERGY PROJECT
CANADA NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
EXPENDITURE CONTENT REPORT**

Vendor Names	Nova Scotia	Other Canadian	Non-Canadian	Total
A Touch of Class Catering		\$ 4,539.98		\$ 4,539.98
A. C. A. Audio Visual Ltd.		\$ 115.00		\$ 115.00
A. D. I. Nolan Davis	\$ 89,873.93			\$ 89,873.93
A. M. J. Campbell Van Lines		\$ 4,194.90		\$ 4,194.90
Action Delivery & Messenger	\$ 320.25			\$ 320.25
Actual Burden Journal Entries	\$ 16,498.15	\$ 140,802.41	\$ 8,485.90	\$ 165,786.46
Adams Pearson Associates Inc.	\$ 23,339.44			\$ 23,339.44
Advanced Geotechnology Inc.		\$ 18,500.00		\$ 18,500.00
Air Canada Enroute	\$ 246,292.81	\$ 39,433.76	\$ 134,875.59	\$ 420,602.16
Al Azhar Temple		\$ 2,383.50		\$ 2,383.50
Alberta Reprographic		\$ 152.25		\$ 152.25
Allrush Video Transfers		\$ 140.00		\$ 140.00
American Petroleum			\$ 67.67	\$ 67.67
Art Sales & Rental Society	\$ 738.96			\$ 738.96
Association of Professional	\$ 167.00			\$ 167.00
Atlantic Business Interiors	\$ 7,835.00			\$ 7,835.00
Atlantic Perspectives Inc.	\$ 2,020.00			\$ 2,020.00
Audio-Tech Business Book			\$ 493.63	\$ 493.63
Banff Rocky Mountain Resort		\$ 2,636.84		\$ 2,636.84
Barrington Historical	\$ 7,310.00			\$ 7,310.00
Bennett Jones Verchere	\$ 4,025.13	\$ 220,922.75		\$ 224,947.88
Best Cap & Sportswear		\$ 18,110.04		\$ 18,110.04
Best Microfilm Service		\$ 60.71		\$ 60.71
Big Sky Wireless		\$ 1,260.00		\$ 1,260.00
Book Company, The		\$ 42.29		\$ 42.29
Bowen Personnel Ltd.		\$ 1,504.80		\$ 1,504.80
Boyne Clarke	\$ 1,328.03			\$ 1,328.03
Bro-Moc Print & Litho Ltd.	\$ 3,075.48			\$ 3,075.48
Burnet, Duckworth & Palmer		\$ 11,616.55		\$ 11,616.55
C. N. S. O. P. B.	\$ 135,733.03	\$ 435.99		\$ 136,169.02
Caldraft Ltd.		\$ 387.96		\$ 387.96
Calgary Herald		\$ 202.50		\$ 202.50
Calgary Olympic Park		\$ 713.69		\$ 713.69
Calgary Petroleum Club		\$ 1,258.36		\$ 1,258.36

**SABLE OFFSHORE ENERGY PROJECT
CANADA NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
EXPENDITURE CONTENT REPORT**

Vendor Names	Nova Scotia	Other Canadian	Non-Canadian	Total
Canada Post Corporation	\$ 177.40			\$ 177.40
Canadian Association of Canex		\$ 15.00		\$ 15.00
		\$ 760.52		\$ 760.52
Canning & Pitt Associates Inc.	\$ 2,006.54	\$ 20,817.06		\$ 22,823.60
Cautley Enterprises Inc.	\$ 3,500.00	\$ 6,300.00	\$ 4,000.00	\$ 13,800.00
CDN Seabed Research Ltd.	\$ 45,837.50			\$ 45,837.50
CGG Geophysics Canada Ltd.		\$ 29.90		\$ 29.90
Communication Design Group Ltd.	\$ 320.00			\$ 320.00
Core Laboratories Canada		\$ 1,114.95		\$ 1,114.95
Corporate Express Co.		\$ 698.78		\$ 698.78
Corrections and Adjustments	\$ 3,248.08	\$ 235,011.49	\$ 217,073.46	\$ 455,333.03
CSC Project Management		\$ 91,571.79		\$ 91,571.79
Culligan of Calgary	\$ 33.00	\$ 599.23		\$ 632.23
Custom Crystal & Glass		\$ 1,830.71		\$ 1,830.71
Daily News, The	\$ 135.57			\$ 135.57
Day-Timers of Canada Ltd.		\$ 286.99		\$ 286.99
Design Centre, The		\$ 51,908.88		\$ 51,908.88
Design Group, The		\$ 59,877.00		\$ 59,877.00
Dr. Susan Bennett		\$ 12,845.00		\$ 12,845.00
Drilling Records		\$ 1,875.00		\$ 1,875.00
Earncliffe	\$ 7,950.00	\$ 5,698.80		\$ 13,648.80
East Coast Offshore Conference	\$ 375.00	\$ 125.00		\$ 500.00
Eastcan Group of Survey	\$ 2,172.51	\$ 7,216.35		\$ 9,388.86
Employee T&E Expenses	\$ 95,662.54	\$ 58,651.11	\$ 81,411.84	\$ 235,725.49
Epix Design Inc.		\$ 12,402.50		\$ 12,402.50
Excel Gourmet Catering Service		\$ 661.25		\$ 661.25
Excellular Communication		\$ 595.00		\$ 595.00
Exploration Consultants	\$ 390,753.45		\$ 17,030.34	\$ 407,783.79
Exploration Innovation		\$ 4,527.50		\$ 4,527.50
Facility Innovations	\$ 31,304.11			\$ 31,304.11
Federal Express		\$ 922.50		\$ 922.50
Financial Post, The		\$ 205.40		\$ 205.40
Founders Square Limited	\$ 11,423.86			\$ 11,423.86
Gabe's Reporting Service		\$ 502.50		\$ 502.50

**SABLE OFF-SHORE ENERGY PROJECT
CANADA NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
EXPENDITURE CONTENT REPORT**

Vendor Names	Nova Scotia	Other Canadian	Non-Canadian	Total
Government of Newfoundland		\$ 207.00		\$ 207.00
Government of Nova Scotia	\$ 4,293.50			\$ 4,293.50
Grace Trading Co. Ltd.		\$ 6,790.62		\$ 6,790.62
Grammaticus Group Ltd.	\$ 103,747.40	\$ 39,100.00		\$ 142,847.40
Grandma Lees Bakery		\$ 93.44		\$ 93.44
Gulf Publishing Company			\$ 966.83	\$ 966.83
Guysborough Journal, The	\$ 26.17			\$ 26.17
Guysborough Lions Club	\$ 7.65			\$ 7.65
Halifax Herald Ltd.	\$ 122.90			\$ 122.90
Helly Hansen Canada	\$ 1,500.00			\$ 1,500.00
HG Pearson		\$ 5,136.62		\$ 5,136.62
Highstar Group of Moving	\$ 13,599.18			\$ 13,599.18
Howard Mackie		\$ 4,455.97		\$ 4,455.97
I.S.D.N. Wire Service		\$ 3,150.50		\$ 3,150.50
Ikon Capital	\$ 4,858.65			\$ 4,858.65
Ikon Office Solutions Inc.	\$ 6,279.23			\$ 6,279.23
Image 3 Photographic		\$ 126.00		\$ 126.00
Industrial Photography	\$ 2,190.00	\$ 139.75		\$ 2,329.75
Information Service		\$ 1,395.50		\$ 1,395.50
Inland Audio Visual		\$ 190.00		\$ 190.00
Istar Internet Inc.	\$ 29.95			\$ 29.95
J. F. Goode & Sons Stationers	\$ 3,345.32			\$ 3,345.32
Jardine & Associates			\$ 35,857.84	\$ 35,857.84
Junior Achievement of Mainland	\$ 200.00			\$ 200.00
K-Mac Drafting & AR		\$ 51.31		\$ 51.31
Kelly Temporary Services	\$ 44.00			\$ 44.00
Knowledge Source, The		\$ 1,357.65		\$ 1,357.65
Kwik Kopy		\$ 562.25		\$ 562.25
LeBlanc MacDonald	\$ 2,099.46			\$ 2,099.46
Lucas, Zoe	\$ 53,566.13			\$ 53,566.13
M.B.C. Business Services	\$ 16,030.47			\$ 16,030.47
MacLeod Dixon		\$ 1,216.40		\$ 1,216.40
Major Industrial AC		\$ 40.65		\$ 40.65
Map Town Ltd.		\$ 103.38		\$ 103.38

**SABLE OFF-SHORE ENERGY PROJECT
CANADA NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
EXPENDITURE CONTENT REPORT**

Vendor Names	Nova Scotia	Other Canadian	Non-Canadian	Total
Maranda Reprographics		\$ 5,821.96		\$ 5,821.96
Martec Limited	36,400.01			\$ 36,400.01
Meptec Charges	16,489.08	\$ 213,417.31	\$ 597,711.63	\$ 827,618.02
Metropolitan Centre		\$ 1,035.00		\$ 1,035.00
Microage Computer		\$ 132.00		\$ 132.00
Microtrends Computer Systems		\$ 602.00		\$ 602.00
Minerva Technology		\$ 260.00		\$ 260.00
Miscellaneous Employment		\$ 5,734.42		\$ 5,734.42
Mobility Canada	44.53			\$ 44.53
Monenco Agra-Brown & Root	69,303.11	\$ 2,529,282.85	\$ 331,883.33	\$ 2,930,469.29
MT&T	12,041.91			\$ 12,041.91
Municipal Information Centre	11.87			\$ 11.87
Neill and Gunter	697.05			\$ 697.05
Newfoundland Oceanic		\$ 340.00		\$ 340.00
Newswatch	142.59			\$ 142.59
Nolark Resources Inc.	24,618.87	\$ 112,145.87		\$ 136,764.74
Norman Wade Co. Ltd. Halifax	57.35			\$ 57.35
Nortech Jacques Whitford	332,478.00	\$ 96,471.63	\$ 143,585.40	\$ 572,535.03
Nortech Surveys	142,522.50	\$ 83,703.67		\$ 226,226.17
Offshore Data Services			\$ 741.96	\$ 741.96
Offshore Technologies	325.00			\$ 325.00
Oggo Furniture Incorporated	315.00			\$ 315.00
Ogilvy Renault		\$ 5,771.88		\$ 5,771.88
OGOP Oil and Gas Observer	9,100.00			\$ 9,100.00
Oil Industry Int'l Exploration			\$ 116.15	\$ 116.15
Olsten Staffing Service		\$ 3,446.86		\$ 3,446.86
On-Line Computer Services	675.00			\$ 675.00
Opus petroleum Engineering Ltd.		\$ 3,300.00		\$ 3,300.00
Palisade Corporation			\$ 244.71	\$ 244.71
PanCanadian Nova Scotia	8,700.00			\$ 8,700.00
Patterson Palmer	709.48			\$ 709.48
Payroll Labour Distribution	115,537.09	\$ 1,789,761.07	\$ 61,408.54	\$ 1,966,706.70
Pennwell Publishing company			\$ 168.39	\$ 168.39
Petral Worldwide			\$ 34,894.20	\$ 34,894.20

**SABLE OFFSHORE ENERGY PROJECT
CANADA NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
EXPENDITURE CONTENT REPORT**

Vendor Names	Nova Scotia	Other Canadian	Non-Canadian	Total
Petroleum Communication	\$ 177.20			\$ 177.20
Pinebrook golf and Country Club		\$ 1,187.77		\$ 1,187.77
Pitney Bowes	122.73			\$ 122.73
Plant Wise	421.22			\$ 421.22
Private Business Networks Inc.	1,012.50			\$ 1,012.50
Provincial Airlines	4,500.00			\$ 4,500.00
Purolator Courier	404.62			\$ 404.62
R.D.C. Bideo		\$ 365.00		\$ 365.00
Ray Kadonaga & Associates		\$ 1,950.00		\$ 1,950.00
Receiver General for Canada	96,592.25			\$ 96,592.25
Red Carpet Coffee Services	109.31			\$ 109.31
Reid Sweet Ltd.	107.30			\$ 107.30
Riley's Database		\$ 2,833.40		\$ 2,833.40
Riley's Reproduction		\$ 46,861.43		\$ 46,861.43
S. L. Ross Environment		\$ 3,232.67		\$ 3,232.67
S. N. C. Lavalin	525,985.49			\$ 525,985.49
Schlumberger-Geoq		\$ 239.98		\$ 239.98
Seabed Exploration Consultants	14,956.40			\$ 14,956.40
Seimac	24,995.42			\$ 24,995.42
Shaw Mobilecomm	37.46	\$ 262.97		\$ 300.43
Shell	240,552.61	\$ 984,077.59	\$ 10,000.12	\$ 1,234,630.32
Show Off Display Ltd.	889.69			\$ 889.69
Showcase '96	750.00			\$ 750.00
SOEP IS Expenses		\$ 131,561.32	\$ 29,310.89	\$ 160,872.21
Software Experts Technology				\$ 1,200.00
Sou'wester	1,200.00			\$ 40.00
Southern Magazine and Information	40.00			\$ 430.00
Speedy Auto & Window	430.00			\$ 62.20
Stewart/McKelvey Stirling & Scales	62.20			\$ 262,936.03
Survival Systems Ltd.	262,936.03			\$ 5,945.00
Telav Inc.	5,945.00			\$ 455.00
Teletape Services	455.00			\$ 1,428.83
Time/Design Canada Inc.		\$ 1,428.83		\$ 71.25
Toronto Dominion Visa		\$ 71.25		\$ 2,063.86

SABLE OFFSHORE ENERGY PROJECT
CANADA NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996
EXPENDITURE CONTENT REPORT

Vendor Names	Nova Scotia	Other Canadian	Non-Canadian	Total
Total Office Care	\$ 2,086.75			\$ 2,086.75
Total Overload & Secretarial		\$ 29,157.34		\$ 29,157.34
Touch Tone Data		\$ 60.00		\$ 60.00
Trimar Promtical Products	\$ 551.10			\$ 551.10
Tri Ocean Engineering		\$ 1,913.85		\$ 1,913.85
Tupper Industrial Developers	\$ 17,000.00			\$ 17,000.00
Unicom		\$ 1,016.00		\$ 1,016.00
Wallace MacDonald	\$ 9,913.00			\$ 9,913.00
Western Atlas International	\$ 9,376,143.21		\$ 1,245,822.70	\$ 10,621,965.91
William Alexander & Associates	\$ 518,051.05	\$ 2,656.30		\$ 520,707.35
Willson Stationers		\$ 280.65		\$ 280.65
Workplace Wisdom		\$ 62.50		\$ 62.50
World Trade & Convention Centre	\$ 2,596.57			\$ 2,596.57
TOTALS	\$ 13,226,653.19	\$ 7,171,026.90	\$ 2,956,151.12	\$ 23,353,831.21

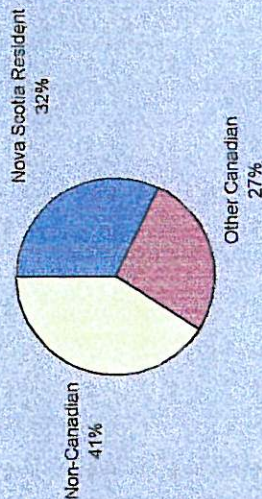
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APPENDIX 3

SABLE OFFSHORE ENERGY PROJECT
DIRECT EMPLOYMENT REPORT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996

Summary (Direct Employment 1996)						
Occupation	Number of Positions Cumulative	Person Hours - Project Cumulative to 1996				Totals
		Nova Scotia Resident	Other Canadian	Non-Canadian		
Management & Admin.	156	12278.9	34404.06	6577		53259.96
Engineers & Technicians	230	19410.75	52238.5	90033.25		161682.5
Labourers	26	15525	2230	22648		40403
Craftsmen	0	510	0	0		510
Marine Crew	69	67321	6736	26595		100652
Other	5	197.5	43	0		240.5
Sub-Total	486	115243.15	95651.56	145853.25		356747.96
Content Percent		32%	27%	41%		100%

CANADA-NOVA SCOTIA BENEFITS DIRECT EMPLOYMENT 1996



**SABLE OFFSHORE ENERGY PROJECT
DIRECT EMPLOYMENT REPORT
CANADA-NOVA SCOTIA BENEFITS
YEAR ENDING DECEMBER 31, 1996**

Contractor	Type of Contract	Contact Name	Telephone Number			
ADI Nolan Davis	Geotechnical/Environmental	John J. Brisbois	902-453-5555			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	2	67.25			67.25	
Engineers & Technicians	19	715	11.5		726.5	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	21	782.25	11.5	0	793.75	
Content Percent		99%	1%	0%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Dr. Susan Bennett	Technical Writer	Susan Bennett	403-247-4610			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.					0	
Engineers & Technicians					0	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other	1	192.5			192.5	
Sub-Total	1	192.5	0	0	192.5	
Content Percent		100%	0%	0%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Bennett Jones Verchere	Legal	Laurie E. Smith	403-298-3315			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	8		1181.85		1181.85	
Engineers & Technicians					0	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	8	0	1181.85	0	1181.85	
Content Percent		0%	100%	0%	100%	100%

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Contractor	Type of Contract	Contact Name	Telephone Number		
Canning & Pitt Associates Inc.	Project Economics	Stratford Canning	709-764-1408		
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996			
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals
Management & Admin.	2	82.5	105.21		187.71
Engineers & Technicians					0
Labourers					0
Craftsmen					0
Marine Crew					0
Other					0
Sub-Total	2	82.5	105.21	0	187.71
Content Percent		44%	56%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Cautley Enterprises	Project Analysis	A.C. Churcher	403-225-1032			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1		20		20	
Engineers & Technicians	2	65	165	70	300	
Labourers					0	0
Craftsmen					0	0
Marine Crew					0	0
Other					0	0
Sub-Total	3	65	185	70	320	
Content Percent		20%	58%	22%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
CDN Seabed Research	Bathymetry	Glen Gilbert	902-827-4200			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1	48			48	
Engineers & Technicians	2	282			282	
Labourers					0	
Craftsmen					0	
Marine Crew	2	250			250	
Other					0	
Sub-Total	5	580	0	0	580	
Content Percent		100%	0%	0%	100%	

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Contractor	Type of Contract	Contact Name	Telephone Number			
CSC Project Management	Risk Management	Stan Wilson	403-233-7994			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1		190.5			190.5
Engineers & Technicians	1		512.5			512.5
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	2	0	703			703
Content Percent		0%	100%	0%		100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Design Group (The)	Geoscience	Alice Dietrich				
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.						0
Engineers & Technicians	1		1815			1815
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	1	0	1815			1815
Content Percent		0%	100%	0%		100%

Contractor	Type of Contract	Contact Name	Telephone Number			
The Eastman Group	Surveys/Mapping	Bob Feindel	902-468-7901			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1	14				14
Engineers & Technicians	2	18				18
Labourers						0
Craftsmen						0
Marine Crew						0
Other	2		43			43
Sub-Total	5	32	43			75
Content Percent		43%	57%	0%		100%

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Contractor	Type of Contract	Contact Name	Telephone Number			
Epix Design Ltd	Graphic Design	Mobil Estimate				
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	2		225.5		225.5	
Engineers & Technicians					0	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	2	0	225.5	0	225.5	
Content Percent		0%	100%	0%	0%	100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Exploration Consultants Ltd.	Seismic	Dave Neil	403-260-7211			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	2			70	70	
Engineers & Technicians	5			4056	4056	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	7	0	0	4126	4126	
Content Percent		0%	0%	100%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Grammaticus Group	Public Affairs	Graeme Connell	902-496-0955			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1		1190	70	1260	
Engineers & Technicians				4056	4056	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	1	0	1190	4126	5316	
Content Percent		0%	22%	78%	100%	

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Contractor	Type of Contract	Contact Name	Telephone Number			
MacLaren Plansearch	Technical Writing	Brian DeCoste	902-492-4544			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996		Other Canadian	Non-Canadian	Totals
	<i>Cumulative</i>	<i>Nova Scotia Resident</i>				
Management & Admin.	3	439.5				439.5
Engineers & Technicians	33	3409.5				3409.5
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	36	3849	0	0%	0%	3849
Content Percent		100%				100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Martec Limited	Oceanographic Studies	Dr. J. L. Warner	902-426-5101			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996		Other Canadian	Non-Canadian	Totals
	<i>Cumulative</i>	<i>Nova Scotia Resident</i>				
Management & Admin.	4	20.5				20.5
Engineers & Technicians	6	50				50
Labourers						0
Craftsmen						0
Marine Crew						0
Other	2	5				5
Sub-Total	12	75.5	0	0%	0%	75.5
Content Percent		100%				100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Monenco Agra-Brown-Root	Project Management	H. N. MacIntyre	403-298-4530			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996		Other Canadian	Non-Canadian	Totals
	<i>Cumulative</i>	<i>Nova Scotia Resident</i>				
Management & Admin.	25	688	11709	16		12413
Engineers & Technicians	32		12552.5	4950		17502.5
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	57	688	24261.5	4966		29915.5
Content Percent		2%	81%	17%		100%

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Contractor	Type of Contract	Contact Name	Telephone Number			
Nolark Resources Inc.	Project Scheduling/Economics		403-246-4476			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1		1828		1828	
Engineers & Technicians					0	0
Labourers					0	0
Craftsmen					0	0
Marine Crew					0	0
Other					0	0
Sub-Total	1	0	1828	0	1828	
Content Percent		0%	100%	0%		100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Nortech Jacques Whitford	Geotechnical/Geophysical	Mike Cole	709-729-4252			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	2	340	150		490	
Engineers & Technicians	10	2622	1226	1149	4997	
Labourers		330			330	
Craftsmen		510			510	
Marine Crew	8	2977	2300		5277	
Other					0	
Sub-Total	20	6779	3676	1149	11604	
Content Percent		58%	32%	10%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Nortech Surveys Canada	Swathymetry/Bathymetry	Mike Cole	709-726-4252			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1	20	140		160	
Engineers & Technicians	5	839	1490		2329	
Labourers					0	
Craftsmen					0	
Marine Crew		940			940	
Other					0	
Sub-Total	6	1799	1630	0	3429	
Content Percent		52%	48%	0%	100%	

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Contractor	Type of Contract	Contact Name	Telephone Number			
Olsten Staffing Service	Staff Service	Mobil Estimate				
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	<i>Cumulative</i>	<i>Nova Scotia Resident</i>	<i>Other Canadian</i>	<i>Non-Canadian</i>		<i>Totals</i>
Management & Admin.	1		180			180
Engineers & Technicians						0
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	1	0	180	0		180
Content Percent		0%	100%	0%		100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Ray Kadonaga	Economics	Ray Kadonaga	403-260-7372			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	<i>Cumulative</i>	<i>Nova Scotia Resident</i>	<i>Other Canadian</i>	<i>Non-Canadian</i>		<i>Totals</i>
Management & Admin.						0
Engineers & Technicians	1		39			39
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	1	0	39	0		39
Content Percent		0%	100%	0%		100%

Contractor	Type of Contract	Contact Name	Telephone Number			
Selmac	Weather Forecasting	Susan Woodbury	902-468-3007			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	<i>Cumulative</i>	<i>Nova Scotia Resident</i>	<i>Other Canadian</i>	<i>Non-Canadian</i>		<i>Totals</i>
Management & Admin.	1	59.75				59.75
Engineers & Technicians	1	302.25				302.25
Labourers						0
Craftsmen						0
Marine Crew						0
Other						0
Sub-Total	2	362	0	0		362
Content Percent		100%	0%	0%		100%

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Contractor	Type of Contract	Contact Name	Telephone Number			
Stewart McKelvey Stirling Scales	Legal	Jim Dickson	902-420-3308			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	15	837.4			837.4	
Engineers & Technicians					0	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	15	837.4	0	0	837.4	
Content Percent		100%	0%	0%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Total Overload & Secretarial	Temp. Office Assistant	D. Bailel	403-264-8677			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	1		1920		1920	
Engineers & Technicians					0	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	1	0	1920	0	1920	
Content Percent		0%	100%	0%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Western Geophysical	Seismic	William Parker	902-429-5680			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	20	3099	654	3421	7174	
Engineers & Technicians	56	8436	3500	65266	77202	
Labourers	26	15195	2230	22648	40073	
Craftsmen					0	
Marine Crew	59	63154	4436	26595	94185	
Other					0	
Sub-Total	161	89884	10820	117930	218634	
Content Percent		41%	5%	54%	100%	

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Contractor	Type of Contract	Contact Name	Telephone Number			
William Alexander & Associates	Public Relations	James O'Hagen	902-492-0008			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	33	6563			6563	
Engineers & Technicians					0	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	33	6563	0	0	6563	
Content Percent		100%	0%	0%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Mobil Oil Canada Properties	Lead Operator	Myles Fox	403-260-7825			
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	23		8590	3000	11590	
Engineers & Technicians	38	2672	20527	9806.25	33005.25	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	61	2672	20527	12806.25	44595.25	
Content Percent		6%	46%	29%	100%	

Contractor	Type of Contract	Contact Name	Telephone Number			
Shell Canada	Operator	Nick Dimarzo				
Occupation	Number of Positions	Person Hours - Project Cumulative to 1996				
	Cumulative	Nova Scotia Resident	Other Canadian	Non-Canadian	Totals	
Management & Admin.	5		6320		6320	
Engineers & Technicians	16		10400	680	11080	
Labourers					0	
Craftsmen					0	
Marine Crew					0	
Other					0	
Sub-Total	21	0	16720	680	17400	
Content Percent		0%	96%	4%	100%	