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January 22, 2007

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Mr. Gary D. Perkins
Alberta Energy and Utilities Board
8th Floor, Application Branch, EUB
640-5th Avenue SW
Calgary, Alberta T2P 3G4

Gentlemen:

Re: EUB Application Nos. 1394112, 1409180 and 1481725
Cold Lake Oil Sands Area - Clearwater Deposit

As you are aware, Husky has previously submitted 2D modeling results, the inputs for its 3D modeling, and its preliminary results. Husky has been attempting to obtain the electronic outputs from its simulation expert to provide to all parties, and anticipated having the outputs last Friday.

Husky has been advised by its simulation expert that the electronic outputs for the 3D modeling have been inadvertently overwritten and corrupted due to their large file size. This necessitates the re-running of the 3D simulations to generate these outputs again. Husky is further advised that the electronic outputs will be available no earlier than January 26.

Husky previously provided the input and final output files for its 2D model, and the input files for its 3D model (January 8, 2007), together with the interim results from its 3D model (January 11, 2007). Husky considers that the 3D simulation is confirmatory of the 2D results.

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I apologize for any inconvenience this may cause. Husky will provide the final results as soon as they are complete.

Yours truly,

BORDEN LADNER GERVAIS LLP

A handwritten signature in black ink, appearing to read 'R. Block', written in a cursive style.

RANDALL W. BLOCK

cc: Mr. Ernie Smith, Alberta Energy and Utilities Board
Ms. Susan C. Stark, Imperial Oil Resources