

CONNECTING CANADIANS TO THEIR ENERGY / JUNE 2018

oilweek



TOP 100

AN UNEVEN RECOVERY

INTEGRATED OPERATORS FOUND THEIR FOOTING IN 2017,
WHILE GAS PRODUCERS STUMBLER



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*Source: The Oilweek Top 100 Companies
Canadian Production – June 2018

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2017 PUBLIC COMPANY FINANCIAL SCORECARD

Revenues, Net Income and Cash from Operations Climbed in 2017 (\$ billions)

Revenues



Net Income



Cash from Operations



Big Five Integrated Operators Capture Most of Gains (\$ billions)

Revenues



Net Income



Cash from Operations



Other Senior Producers with Over 100,000 boe/d of Production Also Saw Gains (\$ billions)

Revenues



Net Income



Cash from Operations



Companies with Between 25,000-100,000 boe/d of Production Remained in the Red (\$ billions)

Revenues



Net Income



Cash from Operations

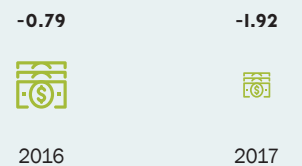


Companies with Less than 25,000 boe/d Struggled (\$ billions)

Revenues



Net Income



Cash from Operations

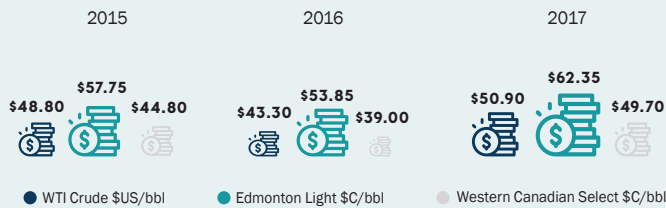


NOTE: BASED ON PERFORMANCE OF 80 PUBLIC COMPANIES

2017 IN REVIEW

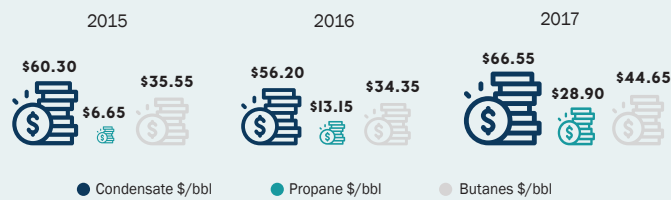
Prices rise

Oil up, but heavy differential widens



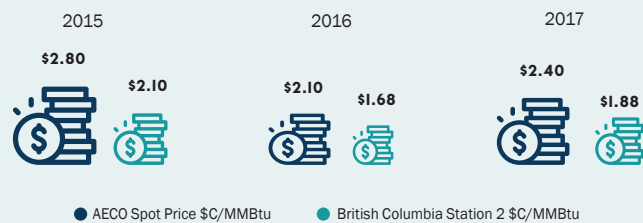
SOURCE: MCDANIEL & ASSOCIATES

Rising Condensate and NGLs make rich gas profitable



SOURCE: MCDANIEL & ASSOCIATES

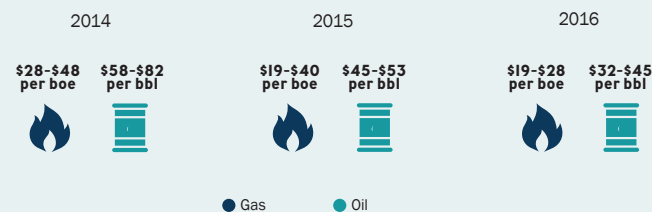
A natural gas price rollercoaster



SOURCE: MCDANIEL & ASSOCIATES

Supply costs decline

Gas and Oil weighted operators



SOURCE: TD SECURITIES

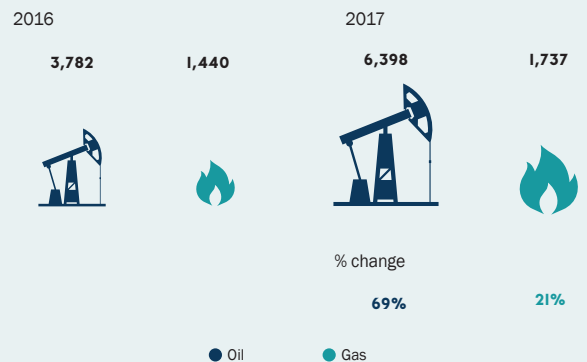
Investors remain cautious

Alberta dominates spending (\$billions CDN)



SOURCE: CANADIAN ASSOCIATION OF PETROLEUM PRODUCERS

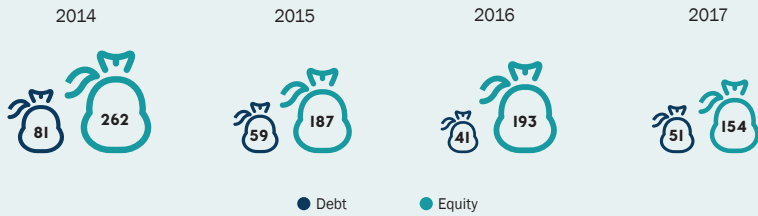
Oil wells drive licence rush



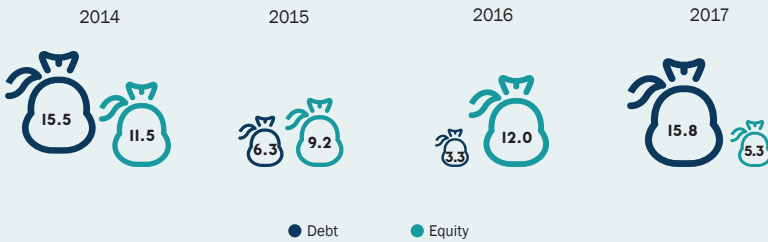
Horizontal wells continue to dominate



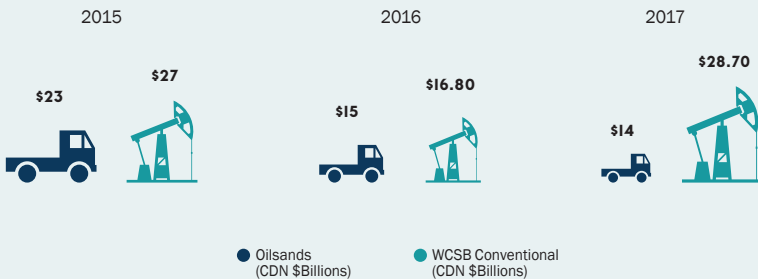
Number of financial deals



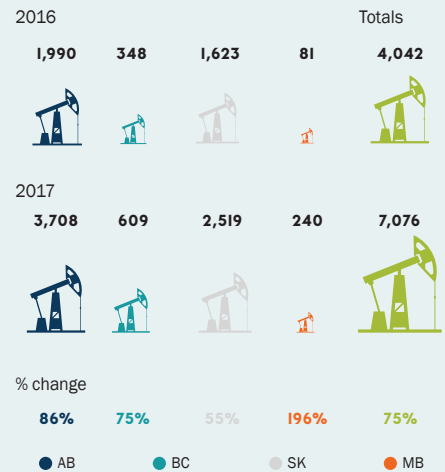
Gross proceeds (\$billions CDN)



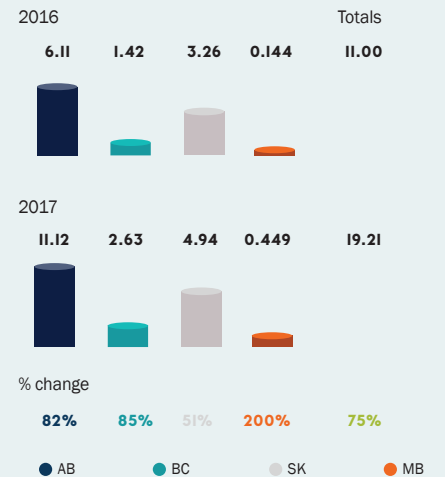
Where the industry spent its money



A jump in drilling activity in 2017 (excluding experimental wells)



Metres also climbed in 2017 (millions of metres) (excluding experimental wells)



Development drilling climbed from wells in 2016 to wells in 2017

3,812
6,791

Oil or bitumen was the dominate target for wells in 2017, accounting for **74%** of wells drilled

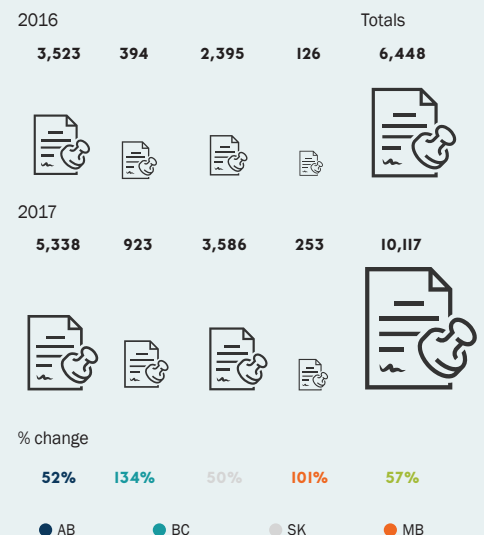
The exploration well count climbed from wells in 2016 to last year

257
306

The average depth/length of wells reached up from metres in 2017

2,700
2,694

Well licences show confidence going into 2018



SOURCE FOR ALL DATA NOT CITED: DAILY OIL BULLETIN



TOP 100

AN UNEVEN RECOVERY

INTEGRATED OPERATORS FOUND THEIR FOOTING IN 2017,
WHILE GAS PRODUCERS STUMBLER

BY DARRELL STONEHOUSE

Canada's publicly traded oil and gas producers saw a major turnaround in their fortunes in 2017 as higher prices and lower costs resulted in a combined \$12.4 billion in net income, compared to a combined loss of around \$1.8 billion in 2016.

Revenues were up 33 per cent in 2017 from the previous year, reaching \$140.1 billion. Cash from operations climbed to \$38.6 billion, up 70 per cent from 2016.

But the recovery was uneven, with the top five largest and integrated operators capturing 92 per cent of total net income, and almost 80 per cent of total revenues.

"At current oil prices many companies can make money—not a lot of money—but they can make money," says Michael McKerracher, National Industry Leader, Energy, KPMG in Canada. "But the truly integrated companies can be quite profitable. They have a better system of pipelines in place so market access issues are somewhat minimized and they have the benefit of downstream revenue."

Natural gas is a different story, says McKerracher. While operators with strong condensate or liquids production had a profitable 2017, those with mostly dry gas production faced difficulties, with prices turning negative for brief periods last summer.

"Gas producers are just holding on," he notes, adding that those with no choice but to market through the AECO system are facing the greatest challenges.

McKerracher says market volatility is a new reality facing the industry as pricing swings become more extreme and price cycles become shorter as operators bring on new supplies more quickly. With prices uncertain, operators focused on lowering costs per barrel of oil equivalent produced in 2017, like in 2016.

"Operators have driven lots of costs out of the system," McKerracher says, adding this focus will continue through 2018, as "costs are controllable even if price isn't."

The industry has seen a period of rapid change in the last two years as the widespread



Michael McKerracher, National Industry Leader, Energy
KPMG

“MANY COMPANIES ARE SAYING THEY KNOW THEIR RESERVES AND NOW THEY NEED TO FIND THE MOST EFFICIENT WAY TO GET THEM OUT OF THE GROUND.”

— **Michael McKerracher**, National Industry Leader, Energy
KPMG

application of technologies has opened up an abundance of resources to development, he notes. This is changing the focus from finding oil and gas to developing resources as effectively as possible.

“The industry will be moving to a manufacturing process over the next 10 years,” he explains. “Many companies are saying they know their reserves and now they need to find the most efficient way to get them out of the ground.”

While many operators saw improved financial performance in 2017, oilfield service companies continued to struggle, with the top 50 publicly traded companies reporting a combined loss of over \$962 million.

“Service companies aren’t covering the depreciation of equipment at current prices,” says McKerracher. “This is impacting ability to buy new equipment and keeping up with technology. This is not sustainable long-term, but prices are not going back to where they were. They need to keep their cost structures down.”

McKerracher says there are a number of ways service companies can meet these challenges. The first is through using technology to drive productivity improvements and cut costs.

“Technology has a huge role to play,” he says, pointing to the automation of drilling rigs to reduce manpower costs as one potential opportunity. Another example is using automation and data analytics in head offices.

“But you need cash flow to invest in technology,” he adds.

A second opportunity is through collaborative contracting. McKerracher says a number of operators are moving away from the “three quotes” method of contracting to longer-term relationships.

“Lately we’re seeing more companies show service companies three-to-five-year plans and having the service company come back to them and tell them how they can support that plan,” he explains. “This kind of collaboration gives service companies more insight into the future and allows operators to be more efficient. They are building projects instead of one-off wells.”

Overlaying the new pricing realities and focus on cost-reduction are a variety of other challenges facing the Canadian industry, including a lack of export market access for both oil and gas production, along with an uncertain regulatory environment that is driving away investment.

“We’re still seeing the exit of foreign

money. They like the companies, they like the assets, but they don’t like the jurisdiction,” he explains.

The federal government’s recent takeover of the Trans Mountain pipeline to ensure its construction is good news for the industry, says McKerracher, although he believes the fact the government had to take over the pipeline to move it forward doesn’t send a positive signal to investors.

The upcoming final investment decision (FID) on the Shell-led LNG Canada project will also help reduce Canada’s natural gas glut.

“We’re closer to an LNG facility than ever before,” he notes, adding that although it will take three to five years to build the project, if approved, it will improve sentiment on gas markets and could provide more stability in natural gas prices.

However, McKerracher says the challenges in getting major projects built in Canada, combined with the regulatory burdens being placed on the industry through new project approval processes and carbon taxes, will limit the ability to attract foreign capital.

“No one invests in uncertainty,” he explains. “Investors want to see a stable regulatory environment, the ability to sell their products, and the ability to get viable projects done.” •

Top 100 Companies by Canadian Production

RANK	COMPANY NAME	BOE/D PRODUCTION		% OIL		OIL, NGL & OILSANDS PRODUCTION (BBL/D)		NATURAL GAS PRODUCTION (MMCF/D)	
		2016	2017	2016	2017	2016	2017	2016	2017
1	Canadian Natural Resources Limited	744,556	908,308	64%	71%	474,223	641,475	1,622.000	1,601.000
2	Suncor Energy Inc.	557,800	617,400	99%	100%	555,000	615,500	16.800	11.400
3	Cenovus Energy Inc.	271,525	470,490	76%	77%	205,858	360,704	394.000	659.000
4	ExxonMobil	469,833	448,333	92%	92%	430,000	412,000	239.000	218.000
5	Imperial Oil Limited	386,000	375,000	94%	95%	364,000	355,000	129.000	120.000
6	Husky Energy Inc.	289,733	283,133	75%	78%	216,000	220,100	442.400	378.200
7	Tourmaline Oil Corp.	185,672	242,325	13%	16%	23,586	38,737	972.513	1,221.529
8	Royal Dutch Shell	304,217	227,563	62%	55%	188,776	125,038	692.648	615.148
9	Encana Corporation	201,533	179,833	15%	18%	29,700	32,000	1,031.000	887.000
10	Seven Generations Energy Ltd.	117,781	175,016	59%	59%	69,299	102,434	291.000	435.500
11	Crescent Point Energy Corp	148,681	149,085	90%	91%	134,555	135,480	84.755	81.629
12	Devon Energy Corporation	134,000	131,000	98%	98%	131,000	128,000	20.000	17.000
13	ARC Resources Ltd.	118,671	122,937	33%	29%	39,420	35,303	475.600	525.800
14	Peyto Exploration & Development Corp.	96,975	102,614	8%	9%	7,457	9,337	537.111	559.663
15	ConocoPhillips	152,333	102,167	43%	69%	65,000	71,000	524.000	187.000
16	Chevron Corporation	92,167	97,833	90%	89%	83,000	87,000	55.000	65.000
17	Petronas (Progress Energy Canada)	97,637	81,289			4,826	3,303	557.000	468.000
18	MEG Energy Corp.	81,245	80,774	100%	100%	81,245	80,774	0.000	0.000
19	TAQA	80,867	77,817	31%	31%	25,100	24,500	334.600	319.900
20	Bonavista Energy Corporation	68,550	72,156	32%	29%	21,955	21,269	279.573	305.680
21	Birchcliff Energy Ltd.	49,236	67,963	16%	21%	8,008	14,475	247.373	320.927
22	CNOOC Ltd.	48,588	64,247	83%	90%	40,437	57,808	48.907	38.630
23	Repsol	59,199	59,361	37%	37%	21,858	21,918	224.044	224.658
24	Total	34,000	59,000	100%	100%	34,000	59,000	0.000	0.000
25	Whitecap Resources Inc.	45,841	57,450	78%	82%	35,566	47,004	61.651	62.676
26	Murphy Oil Corporation	52,176	49,456	33%	24%	17,396	11,753	208.682	226.218
27	Centrica plc	65,718	45,118	9%	12%	5,738	5,479	359.882	237.833
28	Paramount Resources Ltd.	31,851	44,970	45%	40%	14,401	18,094	104.700	161.200
29	Painted Pony Energy Ltd.	23,204	42,882	7%	8%	1,557	3,587	129.881	235.767
30	Pengrowth Energy Corporation	57,058	40,428	61%	62%	35,084	25,200	131.847	91.367
31	Advantage Oil & Gas Ltd.	33,890	39,315	3%	3%	915	1,218	197.852	228.583
32	Bellatrix Exploration Ltd.	35,677	36,872	28%	25%	9,935	9,192	154.453	166.078
33	Athabasca Oil Corporation	11,981	35,421	81%	90%	9,671	31,940	13.857	20.890
34	Baytex Energy Corp.	32,936	33,564	80%	82%	26,267	27,533	40.015	36.186
35	Obsidian Energy Ltd.	54,990	31,723	63%	62%	34,809	19,623	121.000	73.000
36	Apache Corporation	59,246	31,383	32%	30%	18,812	9,470	242.602	131.479
37	NuVista Energy Ltd.	24,638	29,783	34%	39%	8,469	11,753	97.021	108.187
38	Vermilion Energy Inc.	25,771	29,510	45%	45%	11,723	13,195	84.290	97.890
39	Harvest Operations Corp.	31,996	26,588	57%	54%	18,233	14,455	82.583	72.799
40	Sinopec Canada Energy Ltd.	25,710	25,392	34%	34%	8,620	8,562	102.541	100.984
41	PrairieSky Royalty Ltd.	23,308	25,259	47%	48%	10,858	12,242	74.700	78.100
42	Crew Energy Inc.	22,844	23,061	27%	26%	6,143	5,954	100.203	102.642
43	Raging River Exploration Inc.	17,900	22,867	92%	92%	16,554	21,076	8.079	10.742
44	Spartan Energy Corp.	11,748	22,200	92%	92%	10,792	20,314	5.738	11.317
45	Kelt Exploration Ltd.	20,947	22,130	37%	42%	7,779	9,242	79.009	77.330
46	BP Plc.	14,667	21,500	89%	93%	13,000	20,000	10.000	9.000
47	Pine Cliff Energy Ltd.	22,495	21,408	7%	5%	1,677	1,122	124.906	121.718
48	TORC Oil & Gas Ltd.	18,654	20,871	87%	88%	16,195	18,432	14.755	14.634
49	Tamarack Valley Energy Ltd.	10,344	20,136	54%	60%	5,613	11,987	28.388	48.893
50	Enerplus Corporation	27,673	19,677	52%	61%	14,497	11,972	79.057	46.228

Top 100 Companies by Canadian Production

continued

RANK	COMPANY NAME	BOE/D PRODUCTION		% OIL		OIL, NGL & OILSANDS PRODUCTION (BBL/D)		NATURAL GAS PRODUCTION (MMCF/D)	
		2016	2017	2016	2017	2016	2017	2016	2017
51	Cardinal Energy Ltd.	14,611	18,707	87%	84%	12,771	15,801	11.042	17.431
52	Marathon Oil Corp.	48,000	18,000	100%	100%	48,000	18,000	0.000	0.000
53	Cona Resources Ltd.	18,407	17,206	98%	99%	18,014	16,953	2.358	1.520
54	Storm Resources Ltd.	13,219	16,017	17%	18%	2,306	2,930	65.478	78.521
55	Surge Energy Inc.	12,888	14,922	79%	80%	10,175	11,986	16.276	17.615
56	PKN Orlen	12,200	14,400	46%	41%	5,612	5,904	39.528	50.976
57	Bonterra Energy Corp.	12,650	12,827	70%	69%	8,836	8,812	22.888	24.087
58	Freehold Royalties Ltd.	12,219	12,350	58%	55%	7,113	6,792	30.632	33.346
59	JXTG Holdings, Inc.	12,900	11,000	100%	100%	12,900	11,000	0.000	0.000
60	Sasol Limited	9,819	10,274	4%	3%	393	274	56.557	60.000
61	Petrus Resources Ltd.	8,236	10,217	31%	29%	2,575	2,926	33.964	43.747
62	BlackPearl Resources Inc.	10,077	10,199	99%	99%	9,947	10,101	0.781	0.587
63	Journey Energy Inc.	8,712	9,962	53%	46%	4,621	4,560	24.547	32.413
64	Perpetual Energy Inc.	14,128	9,876	12%	16%	1,672	1,603	74.700	49.600
65	Delphi Energy Corp.	7,392	8,401	36%	38%	2,627	3,218	28.595	31.098
66	Cequence Energy Ltd.	8,826	8,139	14%	17%	1,255	1,395	45.442	40.466
67	Gear Energy Ltd.	5,152	6,511	90%	86%	4,641	5,614	3.064	5.379
68	Ikkuma Resources Corp.	6,310	6,366	2%	3%	113	179	37.186	37.121
69	Yangarra Resources Ltd.	2,956	5,741	46%	57%	1,359	3,257	9.586	14.902
70	Prairie Provident Resources Inc.	3,680	5,470	58%	62%	2,138	3,381	9.253	12.537
71	InPlay Oil Corp.	1,940	3,972	75%	67%	1,461	2,662	2.871	7.857
72	Razor Energy Corp.	0	3,813	100%	89%	0	3,405	0.000	2.448
73	Woodside Petroleum Ltd.	4,149	3,477	0%	0%	0	0	24.896	20.863
74	Chinook Energy Inc.	5,510	3,425	25%	14%	1,405	492	24.631	17.602
75	Iron Bridge Resources Inc.	7,895	3,297	42%	32%	3,295	1,053	27.599	13.459
76	Leucrotta Exploration Inc.	1,038	2,865	31%	29%	317	820	4.325	12.268
77	Marquee Energy Ltd.	3,361	2,793	46%	46%	1,558	1,278	10.824	9.091
78	TransGlobe Energy Corporation	90	2,684	59%	59%	53	1,577	0.224	6.644
79	Granite Oil Corp.	2,866	2,668	99%	97%	2,835	2,598	0.184	0.417
80	Japan Petroleum Exploration Co., Ltd.	1,564	2,467	100%	100%	1,564	2,467	0.000	0.000
81	Strategic Oil & Gas Ltd.	1,804	2,434	78%	74%	1,414	1,799	2.339	3.810
82	Toscana Energy Income Corporation	2,252	2,162	48%	35%	1,088	759	6.979	8.421
83	Zargon Oil & Gas Ltd.	3,143	2,152	81%	74%	2,560	1,596	3.498	3.337
84	Dundee Energy Limited	2,322	2,140	21%	21%	488	441	11.001	10.191
85	Eagle Energy Inc.	1,996	2,023	76%	77%	1,517	1,560	2.871	2.777
86	Sunshine Oilsands Ltd.	0	1,940	100%	100%	0	1,940	0.000	0.000
87	Questerre Energy Corporation	1,373	1,379	58%	60%	801	821	3.436	3.350
88	Altura Energy Inc.	574	1,128	85%	84%	490	948	0.501	1.085
89	Traverse Energy Ltd.	690	768	49%	49%	339	375	2.107	2.358
90	Hemisphere Energy Corporation	527	659	86%	93%	452	614	0.452	0.270
91	Point Loma Resources Ltd.	142	591	47%	27%	67	160	0.450	2.584
92	Blackbird Energy Inc.	6	419	8%	45%	0	190	0.032	1.373
93	Corridor Resources Inc.	963	412	0%	-1%	0	0	5.800	2.500
94	Barnwell Industries Inc.	446	408	51%	58%	230	236	1.301	1.036
95	PetroFrontier Corp.	103	373	100%	100%	103	373	0.000	0.000
96	Return Energy Inc.	56	286	16%	19%	9	55	0.283	1.385
97	DXI Energy Inc.	487	273	43%	30%	209	82	1.666	1.145
98	Vital Energy Inc.	257	246	100%	100%	257	246	0.000	0.000
99	Relentless Resources Ltd.	188	210	55%	60%	103	127	0.511	0.496
100	Front Range Resources Ltd.	181	148	20%	12%	37	19	0.865	0.778

OILSANDS OPERATORS HAVE GOOD 2017, BUT MAJOR CHALLENGES REMAIN

Higher prices resulted in higher returns for Canada's integrated oilsands operators in 2017 with the five major operators reporting combined net income of \$11.5 billion.

But the industry continues to struggle due to market access and regulatory issues.

"We are not competitive for major new energy investments in a global sense," said Rich Kruger, Chairman, President and Chief Executive Officer, Imperial Oil, at its recent annual meeting. "We have higher costs, part of which comes from tax rates, our operations, royalties and all combinations of federal, provincial and local taxes and fees. We have long, costly and uncertain regulatory processes. And we have market access limitations today that are resulting in discounted prices for our production and products."

Kruger explained that during the first quarter of this year the company had the capacity to produce – but nowhere to put – an average of an additional 12,000 b/d of bitumen. He also pointed out that Alberta bitumen producers have been left out of the

global oil price rally, as domestic prices remain stalled.

"We Canadian heavy oil producers have not participated in any strengthening of global oil markets. And so that's probably the most vivid example I can offer, talking about competitiveness. The oil price went up \$10 per barrel and we haven't received any of it," he noted.

One key to alleviating the issues facing the industry is the construction of the Trans Mountain pipeline, which would give Canadian oil access to tidewater. The pipeline expansion from Alberta's oil sands hub to the West Coast would add 590,000 b/d of incremental export capacity. However, the project is mired in controversy – with the British Columbia provincial government doing all it can to stop construction of the federally approved pipeline. Most recently, Kinder Morgan Canada reported in May that the Canadian government has agreed to purchase the Trans Mountain pipeline system and expansion project (TMEP) for C\$4.5 billion and is to join the company in seeking a third-party buyer for the assets.

"WE ARE NOT COMPETITIVE FOR MAJOR NEW ENERGY INVESTMENTS IN A GLOBAL SENSE."

— **Rich Kruger**, Chairman, President & CEO
Imperial Oil



Rich Kruger, Chairman, President and CEO
Imperial Oil



“THE MESSAGE I’VE CLEARLY GIVEN TO GOVERNMENT AND REGULATORS IS THAT WE NEED TO WORK ON THIS COMPETITIVE POSITION VERSUS OTHER JURISDICTIONS.”

— Steve Williams, CEO
Suncor Energy



Steve Williams, CEO
Suncor Energy

There is also hope that the Keystone XL pipeline to the US Gulf Coast will be built after being approved by President Donald Trump. It would add more than 800,000 b/d of incremental export capacity.

While many in the industry are worried the pipelines won’t be built, at least one major company believes the federal government will push construction through. Suncor Energy Chief Executive Officer Steve Williams says that right now he is the most confident he has been in five years that new Canadian crude export pipelines will be built, citing the ‘strength of commitment’ by both Alberta Premier Rachel Notley and Canadian Prime Minister Justin Trudeau to, in particular, the Trans Mountain expansion.

“I’ve not seen as strong a reply or a position taken by either Alberta or the federal government,” says Williams.

According to Williams, Suncor isn’t in immediate need of any new pipeline access, with long-term commitments on existing systems for all of its oil sands volumes – including from the new Fort Hills mine when it is producing at full rate. That said, he notes: “We are fully supportive of all our pipeline projects to increase market access for western Canadian crudes. And we believe it’s

important for all Canadians that new pipelines are not just approved, but constructed and put into operation in a timely manner following the well-defined Canadian regulatory processes.”

Suncor also has plans to grow production organically, meaning it will need new capacity. The company plans 10 phases of its in-situ oil sands replication strategy in the 2020s. “We’ve been using this time that we have to make those projects better. I want these projects to work at relatively low crude prices, and they’re coming into the range where they can work. On their current schedules, we start to approve those in 2019, maybe 2020, and then the first of them would start to come online in the back end of 2022–2023. It’s still there, it’s still a possibility,” says Williams. However, he adds that Canada needs to improve its competitiveness in terms of pipeline access, but also tax rates, royalties, regulatory hurdles and “a general belief in the investment community that Canada is not a good place to spend money.”

“The message I’ve clearly given to government and regulators is that we need to work on this competitive position versus other jurisdictions, and we won’t be making big investment decisions until we start to see some progress on that,” he says. ●

Top 80 Canadian Companies by Reserves

RANK	COMPANY NAME	BOE/D PRODUCTION (CANADA)		1P RESERVES (OIL BBL)		1P RESERVES (GAS MMCF)		1P RESERVES (BOE)		UNDEVELOPED LAND (ACRES)	
		2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
1	Canadian Natural Resources Limited	744,556	908,308	4,645,000,000	7,539,000,000	6,545,000	6,730,000	5,735,833,333	8,660,666,667	18,015,000	19,221,000
2	Suncor Energy Inc.	557,800	617,400	4,871,000,000	4,717,000,000	27,000	21,000	4,875,500,000	4,720,500,000	9,131,462	8,150,455
3	Cenovus Energy Inc.	271,525	470,490	2,558,000,000	4,881,000,000	652,000	2,110,000	2,666,666,667	5,232,666,667	2,455,000	5,100,000
4	Imperial Oil Limited	386,000	375,000	4,359,000,000	4,111,000,000	394,000	511,000	4,424,666,667	4,196,166,667	1,379,000	1,352,000
5	Husky Energy Inc.	289,733	283,133	837,500,000	974,100,000	1,516,900	1,174,100	1,090,316,667	1,169,783,333	5,482,000	5,198,000
6	Tourmaline Oil Corp.	185,672	242,325	126,160,000	184,745,000	4,396,632	5,225,742	858,932,000	1,055,702,000	1,493,207	1,474,630
7	Encana Corporation	201,533	179,833	109,900,000	130,800,000	2,571,000	2,617,000	538,400,000	566,966,667	1,307,000	1,189,000
8	Seven Generations Energy Ltd.	117,781	175,016	447,115,000	451,285,500	2,267,993	2,509,710	825,113,833	869,570,517	412,941	393,316
9	Crescent Point Energy Corp	148,681	149,085	449,365,000	446,903,000	274,101	280,312	495,048,500	493,621,667	1,845,001	2,112,442
10	ARC Resources Ltd.	118,671	122,937	126,847,000	136,169,000	1,794,500	2,220,900	425,930,333	506,319,000	688,313	722,937
11	Peyto Exploration & Development Corp.	96,975	102,614	39,452,000	44,700,200	2,189,583	2,439,444	404,382,500	451,274,133	289,236	309,709
12	MEG Energy Corp.	81,245	80,774	1,468,100,000	1,398,700,000	0	0	1,468,100,000	1,398,700,000	575,755	577,454
13	Bonavista Energy Corporation	68,550	72,156	85,159,000	82,507,000	1,128,147	1,155,012	273,183,500	275,009,000	568,051	536,556
14	Birchcliff Energy Ltd.	49,236	67,963	81,715,500	82,458,100	2,800,849	3,492,135	548,523,683	664,480,533	421,111	238,706
15	Whitecap Resources Inc.	45,841	57,450	201,323,300	295,276,000	300,868	307,206	251,467,900	346,477,000	303,673	280,498
16	Paramount Resources Ltd.	31,851	44,970	19,982,000	142,704,000	238,000	1,399,000	59,648,667	375,870,667	1,060,509	2,123,000
17	Painted Pony Energy Ltd.	23,204	42,882	37,990,300	31,008,000	2,424,780	2,924,164	442,120,300	518,368,667	192,816	269,466
18	Pengrowth Energy Corporation	57,058	40,428	210,816,000	165,512,000	448,051	162,940	285,491,167	192,668,667	415,559	160,927
19	Advantage Oil & Gas Ltd.	33,890	39,315	15,532,100	23,061,200	1,437,149	1,698,002	255,056,933	306,061,533	57,810	71,040
20	Bellatrix Exploration Ltd.	35,677	36,872	40,460,300	48,445,200	707,641	736,519	158,400,467	171,198,333	180,203	148,804
21	Athabasca Oil Corporation	11,981	35,421	390,976,000	419,890,000	67,228	168,879	402,180,667	448,036,500	1,185,023	1,170,453
22	Baytex Energy Corp.	32,936	33,564	65,223,000	64,198,000	115,933	117,819	84,545,167	83,834,500	603,108	794,067
23	Obsidian Energy Ltd.	54,990	31,723	71,000,000	63,000,000	278,000	194,000	117,333,333	95,333,333	779,000	549,000
24	NuVista Energy Ltd.	24,638	29,783	42,652,000	57,483,000	547,047	679,193	133,826,500	170,681,833	308,113	255,595
25	Vermilion Energy Inc.	25,771	29,510	39,337,000	39,964,000	226,530	248,148	77,092,000	81,322,000	216,726	140,880
26	PrairieSky Royalty Ltd.	23,308	25,259	0	0	0	0	0	0	191	216
27	Crew Energy Inc.	22,844	23,061	36,122,000	37,594,000	702,517	790,685	153,208,167	169,374,833	421,084	394,585
28	Raging River Exploration Inc.	17,900	22,867	67,066,900	77,560,500	27,061	26,622	71,577,067	81,997,500	428,100	591,363
29	Spartan Energy Corp.	11,748	22,200	62,687,000	66,914,600	39,132	36,329	69,209,000	72,969,433	106,781	229,175
30	Kelt Exploration Ltd.	20,947	22,130	37,927,600	54,985,100	421,591	467,924	108,192,767	132,972,433	647,770	637,823
31	Pine Cliff Energy Ltd.	22,495	21,408	3,377,600	3,054,800	302,541	288,109	53,801,050	51,072,883	107,381	123,949
32	TORC Oil & Gas Ltd.	18,654	20,871	53,932,000	61,950,000	62,641	72,569	64,372,167	74,044,833	350,126	315,133
33	Tamarack Valley Energy Ltd.	10,344	20,136	20,440,000	31,057,000	77,577	124,214	33,369,500	51,759,333	243,430	374,052
34	Enerplus Corporation	27,673	19,677	43,914,000	33,377,000	97,297	57,359	60,130,167	42,936,833	338,500	210,900
35	Cardinal Energy Ltd.	14,611	18,707	44,219,000	67,709,000	31,398	62,247	49,452,000	78,083,500	158,723	224,137
36	Cona Resources Ltd.	18,407	17,206	74,152,000	81,931,000	7,282	4,440	75,365,667	82,671,000	36,051	27,401
37	Storm Resources Ltd.	13,219	16,017	12,011,000	16,563,000	390,518	486,325	77,097,333	97,617,167	239,255	245,344
38	Surge Energy Inc.	12,888	14,922	50,215,000	50,004,900	96,278	66,750	66,261,333	61,129,900	102,189	106,449
39	Bonterra Energy Corp.	12,650	12,827	52,738,400	55,029,400	129,107	141,377	74,256,233	78,592,233	34,608	44,228
40	Freehold Royalties Ltd.	12,219	12,350	2,139,000	1,110,000	7,137	4,975	3,328,500	1,939,167	12,752	9,195
41	Petrus Resources Ltd.	8,236	10,217	9,179,800	9,315,200	131,660	132,900	31,123,133	31,465,200	112,615	170,386

Top 80 Canadian Companies by Reserves

continued

RANK	COMPANY NAME	BOE/D PRODUCTION (CANADA)		1P RESERVES (OIL BBL)		1P RESERVES (GAS MMCF)		1P RESERVES (BOE)		UNDEVELOPED LAND (ACRES)	
		2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
42	BlackPearl Resources Inc.	10,077	10,199	76,316,600	94,372,500	456	8	76,392,600	94,373,833	154,199	152,216
43	Journey Energy Inc.	8,712	9,962	15,691,000	16,802,000	86,424	122,986	30,095,000	37,299,667	111,187	124,795
44	Perpetual Energy Inc.	14,128	9,876	4,020,000	4,837,000	186,455	227,721	35,095,833	42,790,500	344,895	331,578
45	Delphi Energy Corp.	7,392	8,401	6,434,000	9,803,000	76,673	102,300	19,212,833	26,853,000	71,978	90,114
46	Cequence Energy Ltd.	8,826	8,139	9,886,000	9,326,000	363,036	315,465	70,392,000	61,903,500	180,623	171,165
47	Gear Energy Ltd.	5,152	6,511	10,931,000	12,105,000	17,167	14,148	13,792,167	14,463,000	162,017	152,575
48	Ikikuma Resources Corp.	6,310	6,366	724,400	2,122,000	115,240	465,069	19,931,067	79,633,500	167,506	397,105
49	Yangarra Resources Ltd.	2,956	5,741	17,102,000	27,246,000	116,161	171,714	36,462,167	55,865,000	28,511	36,307
50	Prairie Provident Resources Inc.	3,680	5,470	8,009,000	11,135,000	22,594	19,288	11,774,667	14,349,667	621,657	605,745
51	InPlay Oil Corp.	1,940	3,972	11,146,000	11,951,000	32,595	33,134	16,578,500	17,473,333	87,422	82,803
52	Razor Energy Corp.	0	3,813	0	13,515,000	0	0	0	13,515,000	0	27,230
53	Chinook Energy Inc.	5,510	3,425	2,150,000	2,729,000	75,571	95,502	14,745,167	18,646,000	117,687	86,643
54	Iron Bridge Resources Inc.	7,895	3,297	5,292,000	3,800,100	66,419	46,037	16,361,883	11,473,000	130,465	69,519
55	Leucrotta Exploration Inc.	1,038	2,865	1,999,000	3,247,000	49,424	70,840	10,236,333	15,053,667	119,700	133,500
56	Marquee Energy Ltd.	3,361	2,793	7,203,000	8,687,000	29,541	31,367	12,126,500	13,914,833	244,083	119,983
57	TransGlobe Energy Corporation	90	2,684	7,700,000	7,642,000	24,127	22,924	11,721,167	11,462,667	34,672	42,266
58	Granite Oil Corp.	2,866	2,668	10,523,000	12,187,000	11,757	12,685	12,482,500	14,301,167	349,720	76,488
59	Strategic Oil & Gas Ltd.	1,804	2,434	6,059,000	5,601,300	19,649	17,636	9,333,833	8,540,567	377,425	348,716
60	Toscana Energy Income Corporation	2,252	2,162	2,496,000	2,326,000	23,595	19,735	6,428,500	5,615,167	35,779	30,287
61	Zargon Oil & Gas Ltd.	3,143	2,152	5,177,000	4,903,000	6,381	6,574	6,240,500	5,998,667	41,000	29,000
62	Dundee Energy Limited	2,322	2,140	2,189,200	1,989,800	96,359	82,472	18,248,983	15,735,200	37,850	25,814
63	Eagle Energy Inc.	1,996	2,023	8,332,000	9,223,000	5,880	8,219	9,312,000	10,592,833	11,344	12,730
64	Sunshine Oilsands Ltd.	0	1,940	85,679,000	77,302,000	0	0	85,679,000	77,302,000	1,059,287	1,059,287
65	Questerre Energy Corporation	1,373	1,379	5,266,800	5,573,900	22,138	21,586	8,956,433	9,171,533	341,253	276,320
66	Altura Energy Inc.	574	1,128	1,474,900	n/a	2,080	n/a	1,821,483	0	59,711	n/a
67	Traverse Energy Ltd.	690	768	935,100	1,031,600	4,668	4,465	1,713,100	1,775,767	180,700	178,200
68	Hemisphere Energy Corporation	527	659	3,005,300	4,762,700	815	960	3,141,100	4,922,700	47,926	34,703
69	Point Loma Resources Ltd.	142	591	619,500	948,500	5,483	15,308	1,533,267	3,499,850	108,972	156,535
70	*Blackbird Energy Inc.	6	419	1,132,000	12,517,000	11,294	96,366	3,014,333	28,578,000	0	0
71	Corridor Resources Inc.	963	412	92,800	23,000	15,900	18,126	2,742,800	3,044,000	778,286	446,582
72	PetroFrontier Corp.	103	373	3,970,000	3,853,000	0	0	3,970,000	3,853,000	7,232	7,232
73	Return Energy Inc.	56	286	257,100	255,400	4,257	5,005	966,600	1,089,567	11,000	13,315
74	DXI Energy Inc.	487	273	98,000	73,000	816	281	234,000	119,833	7,868	5,875
75	Vital Energy Inc.	257	214	422,000	428,000	593	276	520,833	474,000	6,283	7,780
76	Relentless Resources Ltd.	188	210	611,200	549,600	2,094	1,840	960,233	856,300	0	0
77	Front Range Resources Ltd.	181	148	97,000	128,000	5,327	5,372	984,833	1,023,333	160,025	347,533
78	Ironhorse Oil & Gas Inc.	113	138	385,000	193,900	399	182	451,500	224,233	567	157
79	**Hanwei Energy Services Corp.	193	134	929,700	n/a	2,619	n/a	1,366,200	n/a	n/a	n/a
80	Canadian Spirit Resources Inc.	72	106	0	0	1,296	1,550	216,000	258,333	57,934	57,934

* Non Dec. 31 year-end, company's own year-end data used

**Year-end data not released yet for 2017

Top 80 Canadian Producers by Financial Performance

RANK	COMPANY NAME	BOE/D PRODUCTION (CANADA)		NET INCOME (C\$ 000s)		REVENUE (C\$ 000s)		CASH FROM OPERATIONS (C\$ 000s)		CAPEX (C\$ 000s)	
		2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
1	Canadian Natural Resources Limited	744,556	908,308	-204,000	2,397,000	10,523,000	16,651,000	3,452,000	7,262,000	3,797,000	4,698,000
2	Suncor Energy Inc.	557,800	617,400	434,000	4,458,000	26,807,000	32,051,000	5,680,000	8,966,000	6,582,000	6,551,000
3	Cenovus Energy Inc.	271,525	470,490	-545,000	3,366,000	11,006,000	17,043,000	861,000	3,059,000	1,034,000	1,670,000
4	Imperial Oil Limited	386,000	375,000	2,165,000	490,000	23,399,000	27,452,000	2,015,000	2,763,000	1,073,000	993,000
5	Husky Energy Inc.	289,733	283,133	922,000	786,000	13,079,000	18,629,000	1,971,000	3,704,000	1,705,000	2,220,000
6	Tourmaline Oil Corp.	185,672	242,325	-31,971	346,773	1,100,450	1,610,896	696,901	1,182,900	1,981,289	1,411,211
7	Encana Corporation	201,533	179,833	-1,246,565	1,069,711	4,216,400	5,062,695	825,321	1,358,158	1,772,129	2,392,945
8	Seven Generations Energy Ltd.	117,781	175,016	-26,200	562,500	1,253,900	2,168,200	644,600	1,154,300	978,000	1,651,400
9	Crescent Point Energy Corp.	148,681	149,085	-932,700	-124,000	2,184,600	2,830,900	1,524,300	1,718,700	1,427,900	2,162,700
10	ARC Resources Ltd.	118,671	122,937	201,300	388,900	974,500	1,122,900	630,700	672,800	628,500	929,500
11	Peyto Exploration & Development Corp.	96,975	102,614	112,348	176,575	531,585	668,909	508,629	535,344	469,375	521,210
12	MEG Energy Corp.	81,245	80,774	-428,726	165,976	1,861,893	2,434,520	-94,074	317,935	139,736	507,816
13	Bonavista Energy Corporation	68,550	72,156	-95,998	-27,930	408,531	511,325	260,792	325,619	166,641	303,322
14	Birchcliff Energy Ltd.	49,236	67,963	-24,335	-46,980	316,675	528,215	140,514	287,660	782,750	417,813
15	Whitecap Resources Inc.	45,841	57,450	170,748	-123,968	544,451	856,780	365,138	489,119	787,421	1,307,153
16	Paramount Resources Ltd.	31,851	44,970	1,165,275	183,361	246,617	466,772	45,752	126,295	200,992	545,109
17	Painted Pony Energy Ltd.	23,204	42,882	-51,857	122,376	118,908	244,285	44,658	106,917	204,391	302,614
18	Pengrowth Energy Corporation	57,058	40,428	-293,700	-683,800	526,200	627,600	493,700	142,400	65,700	118,000
19	Advantage Oil & Gas Ltd.	33,890	39,315	-15,734	95,039	157,033	225,377	174,906	186,401	127,284	228,430
20	Bellatrix Exploration Ltd.	35,677	36,872	-26,668	-91,363	201,488	219,864	37,546	55,210	78,880	123,250
21	Athabasca Oil Corporation	11,981	35,421	-936,734	-209,407	173,753	758,547	-70,968	61,697	128,079	262,048
22	Baytex Energy Corp.	32,936	33,564	-485,184	87,174	601,979	849,642	247,365	325,208	219,771	398,147
23	Obsidian Energy Ltd.	54,990	31,723	-696,000	-84,000	586,000	407,000	-137,000	125,000	82,000	141,000
24	NuVista Energy Ltd.	24,638	29,783	-1,653	94,368	255,391	365,597	126,751	224,680	192,194	315,302
25	Vermilion Energy Inc.	25,771	29,510	-160,051	62,258	828,507	1,024,362	509,540	593,896	340,932	348,086
26	PrairieSky Royalty Ltd.	23,308	25,259	20,000	120,600	224,200	345,700	204,600	298,600	96,200	361,100
27	Crew Energy Inc.	22,844	23,061	-64,926	34,405	164,105	199,002	77,478	117,290	112,279	242,129
28	Raging River Exploration Inc.	17,900	22,867	23,212	59,817	268,413	408,748	173,898	286,889	211,556	372,073
29	Spartan Energy Corp.	11,748	22,200	-18,613	-26,071	160,337	359,255	59,188	203,483	75,763	152,887
30	Kelt Exploration Ltd.	20,947	22,130	-49,774	-23,178	168,702	234,000	44,720	115,222	104,159	244,300
31	Pine Cliff Energy Ltd.	22,495	21,408	-50,387	-67,864	110,932	110,829	22,489	25,009	8,352	13,415
32	TORC Oil & Gas Ltd.	18,654	20,871	-50,443	-10,490	238,497	326,194	125,474	187,815	182,017	196,621
33	Tamarack Valley Energy Ltd.	10,344	20,136	-27,823	-13,924	106,722	254,538	60,738	144,525	56,819	192,302
34	Enerplus Corporation	27,673	19,677	397,416	236,998	722,732	920,693	312,290	476,125	386,209	472,428
35	Cardinal Energy Ltd.	14,611	18,707	-87,322	-57,597	171,303	268,330	60,962	76,530	70,761	367,932
36	Cona Resources Ltd.	18,407	17,206	-196,213	-86,996	284,038	337,524	117,327	68,602	51,445	57,932
37	Storm Resources Ltd.	13,219	16,017	-38,460	39,689	73,460	116,332	33,783	63,749	65,538	81,685
38	Surge Energy Inc.	12,888	14,922	-30,421	-6,673	146,371	210,809	55,320	93,682	90,920	171,476
39	Bonterra Energy Corp.	12,650	12,827	-24,135	2,506	160,082	188,362	75,294	103,873	40,851	77,694
40	Freehold Royalties Ltd.	12,219	12,350	-11,163	12,218	128,651	150,720	93,133	119,267	167,808	91,607
41	Petrus Resources Ltd.	8,236	10,217	-66,988	-111,261	55,893	77,299	41,853	45,934	29,246	82,520

Top 80 Canadian Producers by Financial Performance

continued

RANK	COMPANY NAME	BOE/D PRODUCTION (CANADA)		NET INCOME (C\$ 000s)		REVENUE (C\$ 000s)		CASH FROM OPERATIONS (C\$ 000s)		CAPEX (C\$ 000s)	
		2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
42	BlackPearl Resources Inc.	10,077	10,199	-19,928	17,159	95,281	130,158	42,491	58,115	10,925	169,917
43	Journey Energy Inc.	8,712	9,962	52,593	-133,021	77,339	96,001	17,333	36,798	16,255	65,978
44	Perpetual Energy Inc.	14,128	9,876	107,149	-35,971	73,972	72,209	-7,136	19,170	14,592	73,467
45	Delphi Energy Corp.	7,392	8,401	-41,114	6,902	62,507	100,933	30,529	31,044	53,812	119,737
46	Cequence Energy Ltd.	8,826	8,139	-28,057	-99,362	50,726	57,886	11,641	19,884	22,530	25,850
47	Gear Energy Ltd.	5,152	6,511	-23,686	10,229	58,394	92,097	25,306	36,768	14,588	50,026
48	Ikkuma Resources Corp.	6,310	6,366	-17,937	-35,949	30,134	32,338	9,105	1,617	17,630	57,971
49	Yangarra Resources Ltd.	2,956	5,741	10,169	19,485	28,235	71,501	16,665	51,775	29,073	83,472
50	Prairie Provident Resources Inc.	3,680	5,470	-60,396	-47,802	37,855	68,638	8,145	16,621	34,863	23,576
51	InPlay Oil Corp.	1,940	3,972	20,019	-7,701	25,382	55,972	5,300	22,552	52,186	50,291
52	Razor Energy Corp.	0	3,813	0	-3,650	0	48,526	0	4,351	0	42,602
53	Chinook Energy Inc.	5,510	3,425	-54,773	-16,914	39,121	22,277	-9,320	6,118	9,211	39,044
54	Iron Bridge Resources Inc.	7,895	3,297	-86,019	-161,048	67,394	29,571	32,739	6,776	50,785	46,600
55	Leucrotta Exploration Inc.	1,038	2,865	-12,182	-8,222	8,210	24,577	-328	8,311	22,574	93,514
56	Marquee Energy Ltd.	3,361	2,793	-22,185	-21,595	29,095	30,097	762	1,656	1,741	18,985
57	TransGlobe Energy Corporation	90	2,684	-115,763	-101,844	83,369	192,036	-1,406	76,898	35,202	49,358
58	Granite Oil Corp.	2,866	2,668	-7,277	-5,508	33,636	39,235	26,510	22,910	21,623	18,750
59	Strategic Oil & Gas Ltd.	1,804	2,434	33,242	-89,502	20,595	33,645	3,335	4,518	29,279	48,200
60	Toscana Energy Income Corporation	2,252	2,162	-16,812	-10,185	20,731	19,689	5,410	750	4,056	2,986
61	Zargon Oil & Gas Ltd.	3,143	2,152	-20,178	-9,310	39,526	34,240	4,663	2,484	6,992	8,755
62	Dundee Energy Limited	2,322	2,140	-19,121	-43,650	0	0	3,796	1,770	0	0
63	Eagle Energy Inc.	1,996	2,023	9,559	-17,349	48,993	55,569	13,566	15,292	5,818	24,256
64	Sunshine Oilsands Ltd.	0	1,940	-73,310	-281,852	0	33,634	-8,827	-22,629	37,489	9,216
65	Questerre Energy Corporation	1,373	1,379	169	-24,821	16,184	20,268	6,719	14,661	14,218	32,196
66	Altura Energy Inc.	574	1,128	-1,249	-103	7,781	16,404	2,337	9,548	17,617	22,302
67	Traverse Energy Ltd.	690	768	-3,434	-5,006	7,018	9,695	2,247	3,420	6,613	17,706
68	Hemisphere Energy Corporation	527	659	-2,681	-3,796	5,532	9,157	433	1,915	2,722	8,689
69	Point Loma Resources Ltd.	142	591	-4,429	-7,508	1,330	4,899	-638	-3,285	4,809	6,631
70	*Blackbird Energy Inc.	6	419	69	-10,600	33	5,838	-2,856	-2,799	17,391	69,975
71	Corridor Resources Inc.	963	412	-29,291	17,739	13,265	7,280	3,579	1,077	420	3,029
72	PetroFrontier Corp.	103	373	-708	-1,762	1,150	4,936	-2,493	605	373	2,994
73	Return Energy Inc.	56	286	-391	-2,249	503	1,922	-313	-978	0	1,158
74	DXI Energy Inc.	487	273	-5,486	-5,209	4,073	2,480	-350	-1,558	530	456
75	Vital Energy Inc.	257	214	-2,342	-869	2,617	2,886	-515	170	227	232
76	Relentless Resources Ltd.	188	210	-245	185	1,859	2,627	1,073	-276	1,612	740
77	Front Range Resources Ltd.	181	148	-7,078	-28,402	1,181	870	-1,854	-364	1,907	22,773
78	Ironhorse Oil & Gas Inc.	113	138	-1,036	-6,120	1,090	1,503	-683	24	-1	79
79	**Hanwei Energy Services Corp.	193	134	766	924	6,053	8,819	4,199	1,985	5,671	3,717
80	Canadian Spirit Resources Inc.	72	106	-30,069	-1,988	320	369	-502	-654	3,945	621

* Non Dec. 31 year-end, company's own year-end data used

**Nine-month data most recently released, Dec. period end by only nine-month data

COMEBACK IN THE CARDIUM

The Cardium tight oil resource play in central Alberta, which was basically shut down when oil prices collapsed in 2015, is rebounding as operators have rejigged their technologies to make the play profitable at current prices.

Junior producer Yangarra Resources has been a leader in this technological revolution.

Almost all of Yangarra's Cardium activity is concentrated in a 40 by 60 mile area west of Red Deer. The company drilled five two-mile horizontal wells and five one-mile horizontal wells in the first quarter of 2018, with completions intensity of around 80 stages per mile with 20 tonnes of sand per stage, says president and chief executive officer Jim Evaskevich.

Yangarra has now drilled 33 wells into the bioturbated Cardium zone after first targeting it in 2016. Previously, it had targeted the upper Cardium.

"We had tried it in previous wells a couple of times and we hadn't been able to frack it using open-hole completions," he said. "We just couldn't get enough energy into the fracks to break up the sand."

"Once we discovered that we could frack it, and cemented liners and sliding sleeves really helped that process, we brought on the higher pressure equipment. We use 15,000 pound equipment to frack it, and what we found was just remarkable results from a production perspective," he added.

The company is now working to determine what ultimate recoveries will be, he said.

"We have reduced our inter frack spacing significantly over time. We use a lot more sand, we are bringing the wells closer together, and we are accumulating a tremendous amount of data that will ultimately help us determine what the optimum financial outcome is — and that

will dictate what the new program looks like. We are getting closer but we are not there yet."

Yangarra's strategy starts with low operating costs, Evaskevich emphasized. "We are going to be profitable even in a very low cost environment."

"One of the great secrets to Yangarra's success is our capital allocation process," he noted. "We use a full cycle capital allocation model which we have found is a very powerful tool to forcing us to make really good decisions when we allocate capital."

The company has achieved essentially 30 per cent full cycle rates of return in previous years, he said. "That process drove us very quickly to the realization that our best results, our best ability to generate wealth, came from the Cardium, and we accelerated acquisition of land" in the area, he added.

While Yangarra has driven costs down to among the lowest in the industry, the company expects oil prices will further recover eventually, Evaskevich said. "We have had several years with very little investment in the oilpatch around the world and my view is that ultimately, that will affect supply, and consequently price. So, it's going to go up at some point, I don't know when, and my job is to manage what we can manage, which is the cost," he said.

Obsidian Energy Ltd. is ready to "fast track" development of its Cardium light-oil with a \$50 million inventory of "near-term" drilling locations, said David French, president and CEO.

While the company plans to just drill two primary Cardium wells in the second half of this year, 15 primary locations are "prepped and ready," said French.

Obsidian has been preparing to move from testing wells in the area to a full-scale, manufacturing-style approach, French told shareholders.



Jim Evaskevich, President & CEO
Yangarra Resources

“We have worked to rank and prove our platform of growth in terms of where we should spend our money and how best to deliver. It is time for us to fast track the Cardium,” he said.

He described the Willesden Green Cardium as “a clear and straightforward investment, a repeatable, predictable development program and with torque to rising commodity price.”

“The trends ... improve every year, for ourselves and for the industry. It takes less time for each drilling year to get to higher reserves,” he said. “This trend comes from better frack design, better horizontal wells and the design of the wells. But it’s also evident that this play is in the middle of a renaissance. And we sit in the middle of it.”

Peyto Exploration is also part of the Cardium renaissance, with plans to drill around 40 wells in the second half of 2018. Only Peyto is targeting condensate and NGLs rather than oil in the play.

“We’re obviously very excited about the potential of the Cardium again,” Darren Gee, president and CEO, said.

The “new” angle for the Cardium relates to Peyto’s optimization of stimulation design.

The company employs a model of continuous improvement and recently has significantly increased stage counts in Cardium wells.

“Last year we drilled two horizontal wells in the Cardium with a different approach to the completion design whereby we applied smaller-size slickwater fracks across more stages,” said JP Lachance. “The outcome of these two wells, which have been on stream for several months now, have yielded superior performances compared to the 48 wells drilled in this area prior. In fact, one of these wells appears to be trending towards being our best well in the Sundance area, while the other is solidly in the top 10.”

While Lachance said Peyto doesn’t want to give “too much away” on the completion design changes, he noted the company has moved from an average of eight stages and 150-metre spacing on wells prior to 2017 up to about 30 stages and less than 50-metre spacing most recently.

And while an increase in stage counts will lead to an increase in expenses, Peyto is also looking at ways to reduce costs.

“The big carrot in this play will be the ability to confidently execute with multi-well pad operations...,” Dave Thomas, vice-president of exploration, said.

Multi-well pads eliminate all the “burdens” associated with physically picking up rigs — moving well to well — along with significant efficiency improvements associated with batch-style completions and batch-style tie-in

operations, which have the potential “to more than offset the incremental cost associated with this increased stage count,” Thomas said.

Development of the shallow, sweet Cardium is a focus now for other reasons.

First, the opportunity fits among Peyto’s vast, existing infrastructure network of leases, roads, pipes and plants.

Second, the Cardium gas comes with liquids ratios of between 40 and 60 bbls/mmcf, with a large portion of that in valuable condensate and pentanes-plus form. ●



Darren Gee, President & CEO
Cardium



David French, President & CEO
Obsidian Energy Ltd.

Top 25 Oil Producers

RANK	COMPANY NAME	OIL/NGL/OILSANDS PRODUCTION (BBL/D)	
		2016	2017
1	Canadian Natural Resources Limited	474,223	641,475
2	Suncor Energy Inc.	555,000	615,500
3	Cenovus Energy Inc.	205,858	360,704
4	Imperial Oil Limited	364,000	355,000
5	Husky Energy Inc.	216,000	220,100
6	Crescent Point Energy Corp	134,555	135,480
7	Seven Generations Energy Ltd.	69,299	102,434
8	MEG Energy Corp.	81,245	80,774
9	Whitecap Resources Inc.	35,566	47,004
10	Tourmaline Oil Corp.	23,586	38,737
11	ARC Resources Ltd.	39,420	35,303
12	Encana Corporation	29,700	32,000
13	Athabasca Oil Corporation	9,671	31,940
14	Baytex Energy Corp.	26,267	27,533
15	Pengrowth Energy Corporation	35,084	25,200
16	Bonavista Energy Corporation	21,955	21,269
17	Raging River Exploration Inc.	16,554	21,076
18	Spartan Energy Corp.	10,792	20,314
19	Obsidian Energy Ltd.	34,809	19,623
20	TORC Oil & Gas Ltd.	16,195	18,432
21	Paramount Resources Ltd.	14,401	18,094
22	Cona Resources Ltd.	18,014	16,953
23	Cardinal Energy Ltd.	12,771	15,801
24	Birchcliff Energy Ltd.	8,008	14,475
25	Vermilion Energy Inc.	11,723	13,195

Top 25 Producers with Highest Field Netbacks

Operating Netbacks (C\$ boe - Exc. Hedging Impacts)

RANK	COMPANY NAME	2016	2017
1	Marksmen Energy Inc.	41.48	48.74
2	Raging River Exploration Inc.	29.76	36.59
3	Suncor Energy Inc.	19.17	31.89
4	Freehold Royalties Ltd.	24.13	30.10
5	TORC Oil & Gas Ltd.	21.10	29.92
6	Granite Oil Corp.	23.33	29.90
7	Vermilion Energy Inc.	24.38	29.75
8	Crescent Point Energy Corp	22.19	29.42
9	PrairieSky Royalty Ltd.	23.61	28.84
10	Whitecap Resources Inc.	22.02	28.62
11	Altura Energy Inc.	25.31	27.47
12	Spartan Energy Corp.	20.48	27.02
13	Bonterra Energy Corp.	22.80	26.98
14	Yangarra Resources Ltd.	17.64	26.36
15	Corridor Resources Inc.	18.44	26.22
16	MEG Energy Corp.	11.63	25.96
17	Standard Exploration Ltd.	25.31	25.17
18	Husky Energy Inc.	16.76	25.16
19	Surge Energy Inc.	17.27	23.67
20	Tamarack Valley Energy Ltd.	16.55	23.44
21	Canadian Natural Resources Limited	14.85	23.14
22	Gear Energy Ltd.	15.51	22.10
23	InPlay Oil Corp.	17.57	21.89
24	Cona Resources Ltd.	13.58	21.85
25	Seven Generations Energy Ltd.	18.69	21.81



GAS WEIGHTED OPERATORS STRUGGLE WITH OVER-SUPPLY

Western Canada's natural gas sector has struggled in recent years as production has outpaced the market's ability to absorb it, but the chief executive of Storm Resources is still optimistic about the long-term outlook.

"Things are going to get better; it's more a question of when," Brian Lavergne, president and CEO, told the company's annual meeting. "I think TCPL (TransCanada) can build out solutions to get more gas away from B.C. and Alberta but the problem is that those solutions take two or three years to build."

In the United States, prices haven't responded even though storage is at very low levels because the market thinks there is infinite production growth that can happen very easily and quickly, he added.

However, while there has been significant growth in the last six months, demand has been rising faster than supply with the U.S. operating at a two bcf/d deficit for the last year, he said. "That's

why you have storage that's 900 bcf/d lower versus last year."

Gas consumption has been going up for a long time and Storm thinks it's going to continue to grow.

"Renewables are not really the threat that a lot of people think they are," he said. "Wind and solar are highly variable sources of supply so you need something like natural gas to bridge the gaps."

The LNG export picture off the West Coast also looks highly encouraging with prices that have risen considerably over the past two years, primarily due to stronger demand, much of that driven by China which is switching to gas from coal to reduce the impacts of pollution, he said.

Painted Pony Energy's president and chief executive officer Pat Ward told a similar story at his company's annual meeting. Ward said while the last 10 months brought plenty of good news for Canadian oil producers who saw a major

price increase, "unfortunately, we're mostly in the natural gas business, where the opposite has happened within the same timeframe."

However, he said he is optimistic on the international front where the natural gas market is rebounding and LNG is delivering at higher prices in places such as Japan.

"Certainly, the future of natural gas in Canada is LNG. I think we are closer than we have ever been to an LNG project going forward," he added.

Still, LNG is a waiting game for Canadian producers, he added. Painted Pony has been working with LNG buyers for approximately six years, and Ward said while those with whom he spoke with in Japan suggest they would love to purchase Canadian LNG, after investing billions of dollars with no related infrastructure, those investors feel they must look for opportunities elsewhere.

Ward suggested a West Coast LNG industry is five years overdue in Canada, and that it is important the country seize opportunities when they arise.

"The U.S. beat us to it. We should have been exporting LNG from Canada at the same time, if we hadn't become stalled with government lack of decision," he said.

For the future, Ward told shareholders, industry supporters must start "pushing back" on environmentalist groups that are campaigning against Canada's energy sector. He said: "Stand up, and be loud and proud!"

Jim Riddell, president and chief executive officer of Paramount Resources, said that in order for AECO gas prices to improve to more sustainable levels, those companies still overly invested into natural gas production simply must adjust towards developing other hydrocarbons.



Patrick Ward, President & CEO
Painted Pony Energy

“The thing that is going to change this is when producers in Alberta who are producing gas only — and who are obviously going to be challenged — have to modify their programs and try to allocate capital dollars to more liquids-rich production,” Riddell, told his company’s annual general meeting. “We are lucky in that all the capital we deploy is allocated to liquids-rich opportunities, and that is why they are economic even at the AECO market we are looking at. But that doesn’t mean we aren’t looking for different ways to move even more outside of the AECO market.”

According to Riddell, Paramount strives to maximize the commodity prices it receives, particularly in light of “the AECO dilemma that we have all come to learn exists” due to too much production relative to takeaway capabilities in Alberta. His company has some physical transport exposure to places outside Western Canada.

“But of course, the remaining natural gas is exposed to the AECO market, and the AECO market has a difficult situation for the next couple of years, at least, as we find ourselves with too much production and not enough takeaway,” he said.

Approximately 73 per cent of Paramount’s revenue base drives off oil and condensate, while nine per cent comes from natural gas liquids and 18 per cent comes from natural gas. Therefore, noted Riddell, if gas prices drop by half, then it only changes the company’s revenue by nine per cent. He said: “It’s not like that doesn’t hurt us, but it has been more than made up for with liquids prices.”

In the case of condensate, it is the one product where Alberta producers are at a strategic advantage, suggested the CEO. Condensate has “made-in-Alberta” demand for oilsands diluent use, which means it actually trades at a premium relative to WTI. Riddell estimates current Canadian condensate demand to be around 700,000 bbls/d, and he anticipates more natural gas producers adjusting their programs towards liquids should not oversupply that market either.

“Current production in Alberta is about 300,000 bbls/d. The reason there is a premium is because the shortfall is made up by importing something like 100,000 barrels per day on pipeline from the U.S. up to Canada, which is the cheapest way to get condensate into Alberta. The rest comes by train and truck.”

He added: “The more demand that comes with a marginal cost, the higher premium that results for condensate from Alberta. The whole industry has been running very hard to keep up with 300,000 barrels a day of production, let alone grow it. Do I see the 300,000 overtaking the total demand of 700,000 bbls a day? I don’t see it happening anytime soon.” ●

Top 25 Gas Producers

NATURAL GAS PRODUCTION (MMCF/D)

RANK	COMPANY NAME	2016	2017
1	Canadian Natural Resources Limited	1,622	1,601
2	Tourmaline Oil Corp.	973	1,222
3	Encana Corporation	1,031	887
4	Cenovus Energy Inc.	394	659
5	Peyto Exploration & Development Corp.	537	560
6	ARC Resources Ltd.	476	526
7	Seven Generations Energy Ltd.	291	436
8	Husky Energy Inc.	442	378
9	Birchcliff Energy Ltd.	247	321
10	Bonavista Energy Corporation	280	306
11	Painted Pony Energy Ltd.	130	236
12	Advantage Oil & Gas Ltd.	198	229
13	Bellatrix Exploration Ltd.	154	166
14	Paramount Resources Ltd.	105	161
15	Pine Cliff Energy Ltd.	125	122
16	Imperial Oil Limited	129	120
17	NuVista Energy Ltd.	97	108
18	Crew Energy Inc.	100	103
19	Vermilion Energy Inc.	84	98
20	Pengrowth Energy Corporation	132	91
21	Crescent Point Energy Corp	85	82
22	Storm Resources Ltd.	65	79
23	PrairieSky Royalty Ltd.	75	78
24	Kelt Exploration Ltd.	79	77
25	Obsidian Energy Ltd.	121	73

Jim Riddell, President & CEO
Paramount Resources





ANOTHER TOUGH YEAR FOR OILFIELD SERVICES

Western Canada's oilfield services industry continued to bleed cash in 2017, despite a \$12 billion increase in capital investment outside the oilsands and a 75 per cent increase in the number of wells drilled compared to 2016.

The top 50 service companies reported an almost \$1 billion loss in 2017 as service prices didn't rise in unison with activity. And the experts expect service companies will continue to struggle as a glut of natural gas and a lack of market access for oil production keep a tight lid on new capital investment.

Michael Mazar, an oil and gas analyst at BMO Capital Markets, said 2018 will be much the same as 2017 during PSAC's mid-year update to its 2018 drilling forecast.

Mazar said he expects oil to trade in a range of US\$50-70/bbl WTI as OPEC cuts provide a floor for prices. Global capital

spending is more than keeping pace with natural production declines, he added, providing a ceiling on prices.

"But the heavy oil differential will remain wide," he added, saying this was a largely "made in Canada" problem due to a lack of market access.

Canada also has a supply glut of natural gas, driving prices downward.

"Production continues to outpace takeaway capacity, and remains well above egress," he said. "It's really just liquids-rich gas driving people to spend capital. Dry gas production is actually declining."

Strong production from the Marcellus region, along with associated gas production from the Permian in the U.S., means there is no outlet south of the border for this extra supply.

Mazar said in the current pricing climate oil-weighted producers are generating free cash flow but this is

largely tied to oilsands operators with extremely low decline production rates requiring minimum investment to keep up output. Natural gas producers in the Montney are outspending cash flow and will likely continue to do so for the foreseeable future.

What does this mean for oilfield service companies?

The good news is that the current price stability will provide budget certainty so service providers can plan for activity, said Mazar.

And while well counts are expected to decline by around 500 in Western Canada compared to PSAC's original 2018 forecast, that isn't the whole story, he added. "You don't need a rising rig count for rising activity levels because of the increased intensity of activity."

The amount of sand being used to stimulate wells has doubled in the last

three years, he pointed out as one area where intensity has increased.

That said, prices for most services are still unsustainably low, he noted.

“The returns for the last three years have been zero in the universe of oilfield services we cover,” he explained. “In 2018, they are barely positive. Prices need to go higher.”

Lazar said as a result of the downturn there has been some consolidation in the industry. He points to the drilling contractor sector as one example. Four years ago the top four drillers had 50 per cent of the market; they now have 65 per cent.

The drive for efficiency in drilling contracting has created a situation where the old pricing model is no longer applicable, he added. It now takes fewer rigs less time to produce more oil and gas.

“They’ve become so efficient the per-

day rental model doesn’t work anymore,” he explained.

PSAC president and chief executive officer Tom Whalenagreed with Mazar’s assessment of the current state of the service sector.

“While our oilfield service sector is marginally busier than it was last year at this time, this hasn’t necessarily translated into financial bottom lines that signal business sustainability,” he said. “In fact, we still have a number of service companies making staff reduction adjustments of 5-15 per cent. This pales in comparison to the 40-60 per cent reductions we saw mid-2015 to the end of 2016, but still a very telling sign that our service sector is far from healthy.”

The forecast update predicts 500 fewer wells for 2018 than initially predicted, for a total of 7,400 wells.

Whelan said where the well reductions are located is a key issue for service providers. The well forecast for British Columbia is down by 110 wells from actual 2017 counts, and these are deep, long lateral wells with large, high intensity well stimulations.

“We estimate these 110 wells represent over \$850 million in capital that won’t be spent in B.C. this year,” he said.

Meanwhile, an additional 300 oil wells will be drilled in Saskatchewan compared to 2017, but Whelan said these wells would not have near the economic impact of the B.C. gas wells as they need less services.

“We estimate the capital cost to drill those wells is about \$400 million,” he noted. “When you add those two scenarios together, we’re conservatively looking at approximately \$450 million less capital being employed.” •

Top 40 Publicly Traded Canadian Service and Supply Companies

COMPANY	TOTAL SALES REVENUE* (C\$,000s)				NET INCOME (C\$,000s)				NET CAPITAL EXPENDITURE (C\$,000s)			
	2017		2016		2017		2016		2017		2016	
	RANK		RANK		RANK		RANK		RANK		RANK	
Nabors Industries	1	3,316,861	1	2,941,892	46	-707,291	46	-1,359,788	1	656,435	1	505,627
Russel Metals	2	3,296,000	2	2,578,600	1	123,800	2	62,800	15	57,600	45	-24,400
Superior Plus C	3	2,385,000	3	2,023,700	35	-27,900	1	294,600	2	564,000	39	-292
Secure Energy Services	4	2,328,208	4	1,410,060	36	-34,202	35	-48,940	4	191,837	3	150,877
Shawcor	5	1,566,652	5	1,209,259	2	71,307	44	-180,960	17	36,778	4	106,799
Calfrac Well Services	6	1,527,705	10	734,514	12	5,939	45	-198,097	11	75,959	8	52,134
Precision Drilling	7	1,321,224	7	1,003,233	45	-132,036	42	-155,555	8	106,340	2	207,832
Mullen Group	8	1,138,489	6	1,035,059	4	65,509	4	52,038	14	57,669	9	39,117
Crius Energy Trust	9	1,134,560	8	963,404	7	26,048	3	57,465	5	132,778	12	26,562
CES Energy Solutions Corp.	10	1,029,640	11	589,634	6	36,241	39	-64,550	13	66,104	5	102,688
Ensign Energy Services	11	1,000,650	9	859,702	39	-37,644	41	-150,522	6	117,712	11	29,120
Trican Well Service	12	929,912	14	325,179	11	14,205	29	-29,534	26	13,499	42	-6,908
Total Energy Services	13	604,662	20	197,800	23	-1,916	22	-11,914	20	21,145	15	16,221
STEP Energy	14	553,220	22	169,153	5	57,718	25	-19,956	7	110,955	6	100,124
Trinidad Drilling	15	501,615	13	362,144	43	-79,618	36	-52,546	3	194,811	10	31,410
Badger Daylighting	16	499,236	12	404,202	3	65,852	6	28,912	10	83,012	13	22,921
ClearStream Energy Services	17	357,147	15	270,661	37	-35,905	33	-45,730	44	-569	43	-15,036
Horizon North Logistics	18	324,082	16	250,935	30	-7,843	26	-20,316	33	6,875	16	15,090
North American Energy Partners	19	292,557	17	213,180	13	5264	11	-445	18	31449	21	10,516
Newalta	20	246,412	19	205,449	41	-48,170	43	-158,465	27	12,785	18	13,864
Pason Systems	21	245,643	23	160,446	8	25,190	32	-41,792	28	12,520	20	12,458
PHX Energy Services	22	241,001	26	148,401	34	-23,528	34	-46,517	25	16,413	25	5,142
Western Energy Services	23	238,175	28	124,438	38	-37,526	37	-62,042	24	17,189	27	4,170
High Arctic Energy Services	24	210,200	18	208,000	9	20,300	5	45,100	34	5,800	7	52,300
Aveda	25	199,614	31	73,286	31	-8,019	30	-31,844	30	8,884	35	1,395

Top 40 Publically Traded Canadian Service and Supply Companies

continued

COMPANY	TOTAL SALES REVENUE* (C\$,000s)				NET INCOME (C\$,000s)				NET CAPITAL EXPENDITURE (C\$,000s)			
	2017		2016		2017		2016		2017		2016	
	RANK		RANK		RANK		RANK		RANK		RANK	
ZCL Composites	26	188,169	21	184,123	10	17,984	7	14,980	36	5,191	30	2,587
Foraco International	27	176,034	25	149,353	32	-14,636	28	-23,711	29	12,380	22	8,493
Essential Energy Services	28	175,908	29	97,527	25	-3,354	40	-90,629	23	17,559	17	13,866
Black Diamond Group	29	163,377	24	182,593	44	-95,410	38	-64,180	16	53,357	14	20,660
Cathedral Energy Services	30	147,095	30	80,866	19	87	18	-5,779	37	2,845	41	-4,227
Foremost Income Fund	31	132,530	27	125,845	17	2,417	17	-5,021	46	-1,382	33	1,451
Strad Energy Services	32	117,599	33	72,378	28	-7,276	24	-16,803	19	21,178	29	2,765
Bri-Chem	33	116,210	35	62,091	18	1,708	19	-6,793	42	699	36	312
CWC Energy Services	34	112,215	32	73,122	15	4,861	20	-7,468	9	93,005	32	1,605
Macro Enterprises	35	103,980	37	54,440	26	-3,446	21	-9,380	35	5,486	37	91
Changfeng Energy	36	77,185	34	66,493	14	5,215	9	4,303	32	8,020	23	6,804
Akita Drilling	37	71,198	36	61,061	40	-39,177	8	5,329	22	20,348	19	12,991
Xtreme Drilling	38	62,015	38	42,032	42	-78,769	27	-20,839	12	67,817	46	-184,872
McCoy Global	39	40,045	42	26,999	33	-16,317	31	-35,926	31	8,079	40	-1,485
Enterprise Group	40	37,677	41	28,724	20	-936	23	-13,165	41	1,119	44	-15,786

* Post royalties and excise tax

Top 25 Canadian Producers Internationally Operating

RANK	COMPANY NAME	BOE/D PRODUCTION (INTERNATIONAL)		OIL PRODUCTION (BBL/D)		NATURAL GAS PRODUCTION (MMCF/D)	
		2016	2017	2016	2017	2016	2017
1	Encana Corporation	202,833	183,500	121,700	129,500	485	324
2	Frontera Energy Corporation	102,106	70,082	93,782	64,298	50	35
3	Suncor Energy Inc.	65,000	67,900	65,000	67,900	0	0
4	Enerplus Corporation	65,452	65,034	28,759	28,821	220	217
5	Canadian Natural Resources Limited	61,226	53,956	49,650	43,761	69	61
6	Husky Energy Inc.	31,467	39,767	12,600	12,900	114	161
7	Vermilion Energy Inc.	37,755	38,511	18,711	18,720	114	119
8	Baytex Energy Corp.	36,573	36,678	28,044	28,313	51	50
9	Parex Resources Inc.	29,715	35,541	29,473	35,212	1	2
10	Gran Tierra Energy Inc.	27,062	32,105	26,767	31,757	2	2
11	Crescent Point Energy Corp	19,083	26,928	15,989	22,766	19	25
12	Canacol Energy Ltd.	15,942	17,080	4,012	3,315	72	83
13	Niko Resources Ltd.	14,633	13,079	533	433	n/a	n/a
14	TransGlobe Energy Corporation	12,015	12,822	12,015	12,822	0	0
15	International Petroleum Corporation	0	10,310	0	9,120	0	7
16	Shamara Petroleum Corp.	0	9,194	0	9,194	0	0
17	Jadestone Energy Inc.	1,065	4,235	1,035	3,752	0	3
18	Epsilon Energy Ltd.	5,016	4,123	0	8	30	25
19	SDX Energy Inc.	1,469	2,642	646	2,046	5	4
20	PetroShale Inc.	1,627	2,445	1,218	1,878	2	3
21	Oryx Petroleum Corporation Limited	1,600	2,100	1,600	2,100	0	0
22	Madalena Energy Inc.	2,500	2,098	2,072	1,782	3	2
23	Eagle Energy Inc.	1,744	1,575	1,937	1,762	0	0
24	Touchstone Exploration Inc.	1,301	1,375	1,301	1,375	0	0
25	Crown Point Energy Inc.	1,383	1,304	235	300	7	6

Nine-month data most recently released, Dec. period end but only nine-month data

Top 20 International Producers in Canada

RANK (BOE/D)	COMPANY NAME	HQ COUNTRY	BOE/D PRODUCTION (CANADA)		OIL PRODUCTION (BBL/D)		NATURAL GAS PRODUCTION (MMCF/D)	
			2016	2017	2016	2017	2016	2017
1	ExxonMobil	United States	469,833	448,333	430,000	412,000	239	218
2	Royal Dutch Shell	Netherlands	304,217	227,563	188,776	125,038	693	615
3	Devon Energy Corporation	United States	134,000	131,000	131,000	128,000	20	17
4	ConocoPhillips	United States	152,333	102,167	65,000	71,000	524	187
5	Chevron Corporation	United States	92,167	97,833	83,000	87,000	55	65
6	*Petronas	Malaysia	97,637	81,289	4,826	3,303	557	468
7	TAQA	United Arab Emirates	80,867	77,817	25,100	24,500	335	320
8	CNOOC Ltd	China	48,588	64,247	40,437	57,808	49	39
9	Repsol	Spain	59,199	59,361	21,858	21,918	224	225
10	Total	France	34,000	59,000	34,000	59,000	0	0
11	Murphy Oil Corporation	United States	52,176	49,456	17,396	11,753	209	226
12	Centrica plc	United Kingdom	65,718	45,118	5,738	5,479	360	238
13	Apache Corporation	United States	59,246	31,383	18,812	9,470	243	131
14	Harvest Operations Corp.	South Korea	31,996	26,588	18,233	14,455	83	73
15	Sinopec	China	25,710	25,392	8,620	8,562	103	101
16	BP Plc.	United Kingdom	14,667	21,500	13,000	20,000	10	9
17	Marathon Oil Corp.	United States	48,000	18,000	48,000	18,000	0	0
18	PKN Orlen	Poland	12,200	14,400	5,612	5,904	40	51
19	**JXTG Holdings, Inc.	Japan	12,900	11,000	12,900	11,000	0	0
20	**Sasol Limited	South Africa	9,819	10,274	393	274	57	60

* Estimated using CanOils Assets - W1 estimates - THESE ARE ESTIMATES, NOT REPORTED FIGURES
 ** Non Dec. 31 year-end, company's own year-end data used



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