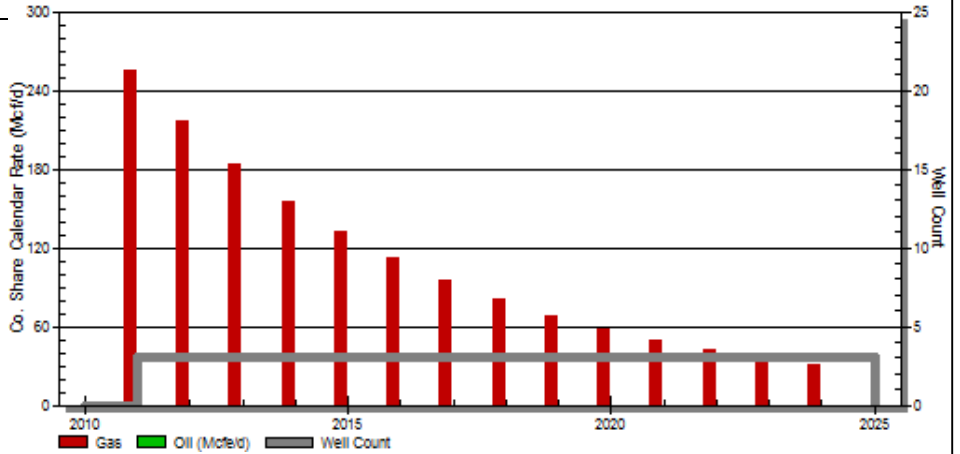


HSC Test Well

Economic Reserves at December 1, 2010 Proved Developed Producing HSC Test Well 100 mscf/d and 0.2 BCF - 3 Well Program (Working Copy)

Evaluation Parameters

Reserve Category	Proved Developed Producing
Reserve Status	Working
Reference Date	December 1, 2010
Econ. Calc. Date	December 1, 2010
Country	Canada
Province	Alberta
Company Share	100.00%
Price Deck	Chase Strip Prices 2010-08-31
Stream Price	AECO - C Spot
Economic Limit	Applied
Scenario	Default
GCA Applied	Yes
BOE Ratio	6:1 Mcf/bbl
Chance of Success	100.0%
Chance of Occurrence	100.0%



Remaining Reserves					Net Present Value (M\$)							Price	
		Gross	WI	RI	Net	0.0%	5.0%	8.0%	10.0%	15.0%	20.0%	Average	
Oil	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
Light/Med.	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
Heavy	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
Sales Gas	MMcf	551.9	551.9	-	482.9	529.0	176.3	17.6	-72.0	-252.5	-387.4	6.21	
Liquids	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
NGL	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
CON	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
C2	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
C3	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
C4	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
C5+	Mbbl	-	-	-	-	-	-	-	-	-	-	-	
Sulphur	LT	-	-	-	-	-	-	-	-	-	-	-	
ARTC													
Total	Mboe	92.0	92.0	-	80.5	BT Cash Flow	529.0	176.3	17.6	-72.0	-252.5	-387.4	37.27
						Tax Paid	123.4	74.6	51.9	39.0	13.3	-5.6	
						AT Cash Flow	405.6	101.7	-34.3	-111.0	-265.7	-381.8	

Risky Capital Costs (M\$)			Cash Flow (M\$)			Economic Indicators		
	Gross	Co. Share		Co. Share	% of Sales Rev.	Before Tax	After Tax	
Land (COGPE)	150.0	150.0	Revenue	3,428.7		8.4	7.2	Rate of Return (%)
Exploration (CEE)	-	-	Royalties/Burdens	356.5	10.4	6.5	7.5	Payout (yrs from Ref Date)
Development (CDE)	765.0	765.0	Operating Cost	1,212.1	35.4	Jun 2017	May 2018	Payout (date)
Other Capital (CCA)	382.5	382.5	Abandonment/Salvage	33.6	1.0	0.41	0.31	P/I - 0.0% Discount
			Oth. Rev./Oth. Deduct.	-	-	-0.06	-0.09	P/I - 10.0% Discount
			Capital	1,297.5	37.8	11,579.38	8,878.22	Init. Value (\$/boe/d)
			[Credit]/Surcharge	-	-			
Total	1,297.5	1,297.5	BT Cash Flow	529.0	15.4			Co. Share
			Tax Paid	123.4	3.6	13.18	15.06	Net
			AT Cash Flow	405.6	11.8	14.11	16.12	
						Op. Cost (\$/boe)		
						Cap. Cost (\$/boe)		

Annual Co. Share Cash Flow

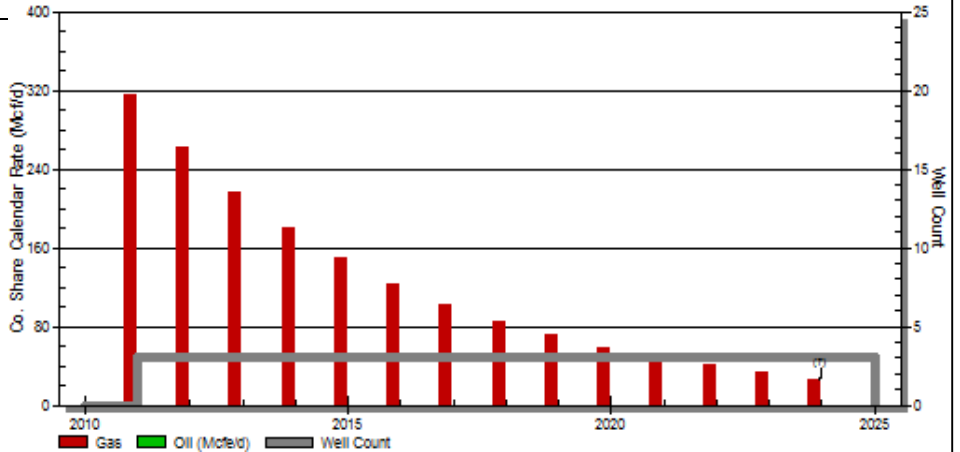
Year	Well Count	Rate Mcf/d	Avg. Price \$/Mcf	Revenue M\$	Roy./ Burden M\$	Operating Cost M\$	Abandon. Salvage M\$	Other Revenue M\$	Other Deductions M\$	Net Op. Income M\$	Capital Cost M\$	Credit / [Surcharge] M\$	BTax Cash Flow M\$	Tax Paid M\$	ATax Cash Flow M\$
2010	-	-	-	-	-	-	-	-	-	-	1,297.5	-	-1,297.5	-81.8	-1,215.7
2011	3.00	254.5	4.23	393.4	45.9	106.6	-	-	-	241.0	-	-	241.0	-4.5	245.5
2012	3.00	215.9	4.86	384.1	44.3	100.9	-	-	-	239.0	-	-	239.0	12.9	226.1
2013	3.00	183.2	5.25	350.9	39.3	95.9	-	-	-	215.7	-	-	215.7	19.7	196.0
2014	3.00	155.4	5.42	307.3	33.0	91.8	-	-	-	182.4	-	-	182.4	20.5	161.9
2015	3.00	131.9	6.30	303.5	32.6	88.5	-	-	-	182.4	-	-	182.4	27.1	155.3
2016	3.00	111.9	6.96	285.1	30.1	85.9	-	-	-	169.1	-	-	169.1	28.6	140.5
2017	3.00	94.9	7.62	264.0	27.4	83.7	-	-	-	153.0	-	-	153.0	28.0	125.0
2018	3.00	80.5	8.28	243.4	24.7	82.0	-	-	-	136.7	-	-	136.7	26.5	110.3
2019	3.00	68.3	8.42	210.0	20.4	80.7	-	-	-	108.8	-	-	108.8	21.3	87.5
Rem.	3.00	42.9	8.77	687.1	58.9	396.2	33.6	-	-	198.3	-	-	198.3	25.0	173.3
14.00 yr		107.9	6.21	3,428.7	356.5	1,212.1	33.6	-	-	1,826.5	1,297.5	-	529.0	123.4	405.6

HSC Test Well

Economic Reserves at December 1, 2010 Proved Developed Producing HSC Test Well 125 mscf/d and 0.225 BCF - 3 Well Program (Working Copy)

Evaluation Parameters

Reserve Category	Proved Developed Producing
Reserve Status	Working
Reference Date	December 1, 2010
Econ. Calc. Date	December 1, 2010
Country	Canada
Province	Alberta
Company Share	100.00%
Price Deck	Chase Strip Prices 2010-08-31
Stream Price	AECO - C Spot
Economic Limit	Applied
Scenario	Default
GCA Applied	Yes
BOE Ratio	6:1 Mcf/bbl
Chance of Success	100.0%
Chance of Occurrence	100.0%



Remaining Reserves

		Gross	WI	RI	Net
Oil	Mbbl	-	-	-	-
Light/Med.	Mbbl	-	-	-	-
Heavy	Mbbl	-	-	-	-
Sales Gas	MMcf	621.0	621.0	-	543.4
Liquids	Mbbl	-	-	-	-
NGL	Mbbl	-	-	-	-
CON	Mbbl	-	-	-	-
C2	Mbbl	-	-	-	-
C3	Mbbl	-	-	-	-
C4	Mbbl	-	-	-	-
C5+	Mbbl	-	-	-	-
Sulphur	LT	-	-	-	-
Total	Mboe	103.5	103.5	-	90.6

Net Present Value (M\$)

		0.0%	5.0%	8.0%	10.0%	15.0%	20.0%	Average
Oil	Mbbl	-	-	-	-	-	-	-
Light/Med.	Mbbl	-	-	-	-	-	-	-
Heavy	Mbbl	-	-	-	-	-	-	-
Sales Gas	MMcf	802.9	420.5	246.0	146.8	-55.0	-207.7	6.07
Liquids	Mbbl	-	-	-	-	-	-	-
NGL	Mbbl	-	-	-	-	-	-	-
CON	Mbbl	-	-	-	-	-	-	-
C2	Mbbl	-	-	-	-	-	-	-
C3	Mbbl	-	-	-	-	-	-	-
C4	Mbbl	-	-	-	-	-	-	-
C5+	Mbbl	-	-	-	-	-	-	-
Sulphur	LT	-	-	-	-	-	-	-
ARTC		-	-	-	-	-	-	-
Total	Mboe	802.9	420.5	246.0	146.8	-55.0	-207.7	36.41
BT Cash Flow		802.9	420.5	246.0	146.8	-55.0	-207.7	
Tax Paid		192.9	136.6	109.9	94.6	63.5	40.2	
AT Cash Flow		610.0	283.9	136.1	52.2	-118.5	-247.9	

Risked Capital Costs (M\$)

	Gross	Co. Share
Land (COGPE)	150.0	150.0
Exploration (CEE)	-	-
Development (CDE)	765.0	765.0
Other Capital (CCA)	382.5	382.5
Total	1,297.5	1,297.5

Cash Flow (M\$)

	Co. Share	% of Sales Rev.
Revenue	3,767.9	
Royalties/Burdens	412.5	10.9
Operating Cost	1,221.4	32.4
Abandonment/Salvage	33.6	0.9
Oth. Rev./Oth. Deduct.	-	-
Capital	1,297.5	34.4
[Credit]/Surcharge	-	-
Total	802.9	21.3
BT Cash Flow	802.9	21.3
Tax Paid	192.9	5.1
AT Cash Flow	610.0	16.2

Economic Indicators

	Before Tax	After Tax
Rate of Return (%)	13.5	11.4
Payout (yrs from Ref Date)	5.1	5.9
Payout (date)	Dec 2015	Oct 2016
P/I - 0.0% Discount	0.62	0.47
P/I - 10.0% Discount	0.11	0.04
Init. Value (\$/boe/d)	14,073.72	10,693.09
Co. Share		
Op. Cost (\$/boe)	11.80	13.49
Cap. Cost (\$/boe)	12.54	14.33

Annual Co. Share Cash Flow

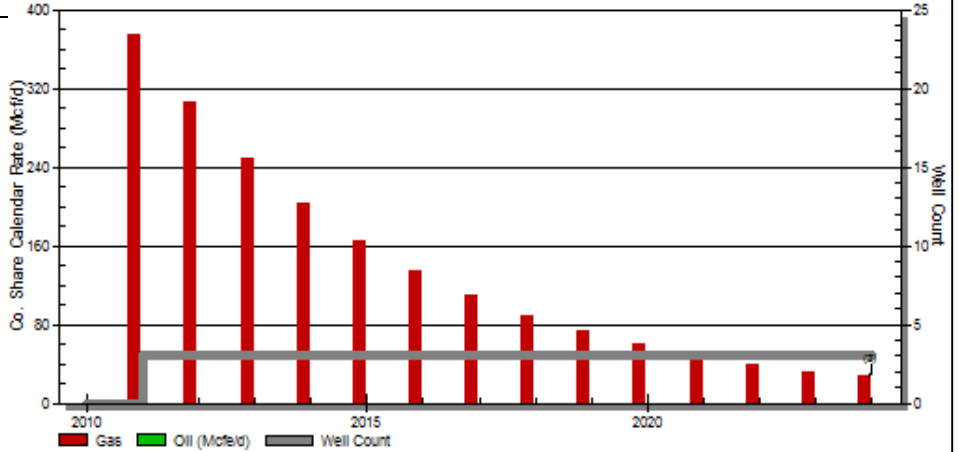
Year	Well Count	Rate Mcf/d	Avg. Price \$/Mcf	Revenue M\$	Roy./Burden M\$	Operating Cost M\$	Abandon. Salvage M\$	Other Revenue M\$	Other Deductions M\$	Net Op. Income M\$	Capital Cost M\$	Credit / [Surcharge] M\$	BTax Cash Flow M\$	Tax Paid M\$	ATax Cash Flow M\$
2010	-	-	-	-	-	-	-	-	-	-	1,297.5	-	-1,297.5	-81.8	-1,215.7
2011	3.00	314.7	4.23	486.5	61.0	118.8	-	-	-	306.8	-	-	306.8	13.0	293.8
2012	3.00	261.1	4.86	464.5	57.0	110.2	-	-	-	297.3	-	-	297.3	27.5	269.8
2013	3.00	216.6	5.25	414.9	49.2	102.9	-	-	-	262.8	-	-	262.8	31.5	231.3
2014	3.00	179.7	5.42	355.4	40.3	97.0	-	-	-	218.0	-	-	218.0	29.4	188.6
2015	3.00	149.2	6.30	343.2	38.5	92.3	-	-	-	212.4	-	-	212.4	34.6	177.8
2016	3.00	123.7	6.96	315.3	34.5	88.5	-	-	-	192.2	-	-	192.2	34.3	157.8
2017	3.00	102.7	7.62	285.5	30.5	85.4	-	-	-	169.6	-	-	169.6	32.2	137.5
2018	3.00	85.2	8.28	257.5	26.7	83.1	-	-	-	147.7	-	-	147.7	29.2	118.5
2019	3.00	70.7	8.42	217.2	21.4	81.3	-	-	-	114.5	-	-	114.5	22.8	91.7
Rem.	3.00	42.9	8.75	628.0	53.5	361.9	33.6	-	-	179.0	-	-	179.0	20.2	158.9
13.58 yr		125.2	6.07	3,767.9	412.5	1,221.4	33.6	-	-	2,100.4	1,297.5	-	802.9	192.9	610.0

HSC Test Well

Economic Reserves at December 1, 2010 Proved Developed Producing HSC Test Well 150 mscf/d and 0.25 BCF - 3 Well Program (Working Copy)

Evaluation Parameters

Reserve Category	Proved Developed Producing
Reserve Status	Working
Reference Date	December 1, 2010
Econ. Calc. Date	December 1, 2010
Country	Canada
Province	Alberta
Company Share	100.00%
Price Deck	Chase Strip Prices 2010-08-31
Stream Price	AECO - C Spot
Economic Limit	Applied
Scenario	Default
GCA Applied	Yes
BOE Ratio	6:1 Mcf/bbl
Chance of Success	100.0%
Chance of Occurrence	100.0%



Remaining Reserves					Net Present Value (M\$)							Price
		Gross	WI	RI	Net	0.0%	5.0%	8.0%	10.0%	15.0%	20.0%	Average
Oil	Mbbl	-	-	-	-	-	-	-	-	-	-	-
Light/Med.	Mbbl	-	-	-	-	-	-	-	-	-	-	-
Heavy	Mbbl	-	-	-	-	-	-	-	-	-	-	-
Sales Gas	MMcf	690.0	690.0	-	603.8	1,077.7	660.3	468.7	359.4	136.0	-34.3	5.96
Liquids	Mbbl	-	-	-	-	-	-	-	-	-	-	-
NGL	Mbbl	-	-	-	-	-	-	-	-	-	-	-
CON	Mbbl	-	-	-	-	-	-	-	-	-	-	-
C2	Mbbl	-	-	-	-	-	-	-	-	-	-	-
C3	Mbbl	-	-	-	-	-	-	-	-	-	-	-
C4	Mbbl	-	-	-	-	-	-	-	-	-	-	-
C5+	Mbbl	-	-	-	-	-	-	-	-	-	-	-
Sulphur	LT	-	-	-	-	-	-	-	-	-	-	-
ARTC												
Total	Mboe	115.0	115.0	-	100.6	1,077.7	660.3	468.7	359.4	136.0	-34.3	35.78
						Tax Paid	262.5	197.5	166.5	148.6	112.1	84.3
						AT Cash Flow	815.2	462.8	302.2	210.8	23.9	-118.6

Risky Capital Costs (M\$)			Cash Flow (M\$)			Economic Indicators		
	Gross	Co. Share		Co. Share	% of Sales Rev.	Before Tax	After Tax	
Land (COGPE)	150.0	150.0	Revenue	4,115.2		18.9	15.8	
Exploration (CEE)	-	-	Royalties/Burdens	470.0	11.4	4.1	4.9	
Development (CDE)	765.0	765.0	Operating Cost	1,236.9	30.1	Jan 2015	Oct 2015	
Other Capital (CCA)	382.5	382.5	Abandonment/Salvage	33.0	0.8	P/I - 0.0% Discount	0.83	0.63
			Oth. Rev./Oth. Deduct.	-	-	P/I - 10.0% Discount	0.28	0.16
			Capital	1,297.5	31.5	Init. Value (\$/boe/d)	15,755.48	11,917.34
			[Credit]/Surcharge	-	-			
Total	1,297.5	1,297.5	BT Cash Flow	1,077.7	26.2	Co. Share	Net	
			Tax Paid	262.5	6.4	Op. Cost (\$/boe)	10.76	12.29
			AT Cash Flow	815.2	19.8	Cap. Cost (\$/boe)	11.28	12.89

Annual Co. Share Cash Flow

Year	Well Count	Rate Mcf/d	Avg. Price \$/Mcf	Revenue M\$	Roy./Burden M\$	Operating Cost M\$	Abandon. Salvage M\$	Other Revenue M\$	Other Deductions M\$	Net Op. Income M\$	Capital Cost M\$	Credit / [Surcharge] M\$	BTax Cash Flow M\$	Tax Paid M\$	ATax Cash Flow M\$
2010	-	-	-	-	-	-	-	-	-	-	1,297.5	-	-1,297.5	-81.8	-1,215.7
2011	3.00	374.4	4.23	578.8	76.4	130.8	-	-	-	371.5	-	-	371.5	30.1	341.4
2012	3.00	305.1	4.86	542.8	69.7	119.3	-	-	-	353.8	-	-	353.8	41.6	312.2
2013	3.00	248.6	5.25	476.3	58.9	109.6	-	-	-	307.8	-	-	307.8	42.8	265.0
2014	3.00	202.7	5.42	400.7	47.3	102.0	-	-	-	251.5	-	-	251.5	37.8	213.7
2015	3.00	165.2	6.30	380.2	44.0	95.8	-	-	-	240.3	-	-	240.3	41.6	198.7
2016	3.00	134.6	6.96	343.0	38.6	91.0	-	-	-	213.4	-	-	213.4	39.6	173.8
2017	3.00	109.7	7.62	305.2	33.3	87.0	-	-	-	184.8	-	-	184.8	36.0	148.9
2018	3.00	89.4	8.28	270.3	28.6	84.1	-	-	-	157.7	-	-	157.7	31.7	126.0
2019	3.00	72.9	8.42	224.0	22.3	81.8	-	-	-	119.8	-	-	119.8	24.1	95.7
Rem.	3.00	43.8	8.73	594.0	50.9	335.4	33.0	-	-	174.7	-	-	174.7	19.1	155.6
13.25 yr		142.6	5.96	4,115.2	470.0	1,236.9	33.0	-	-	2,375.2	1,297.5	-	1,077.7	262.5	815.2