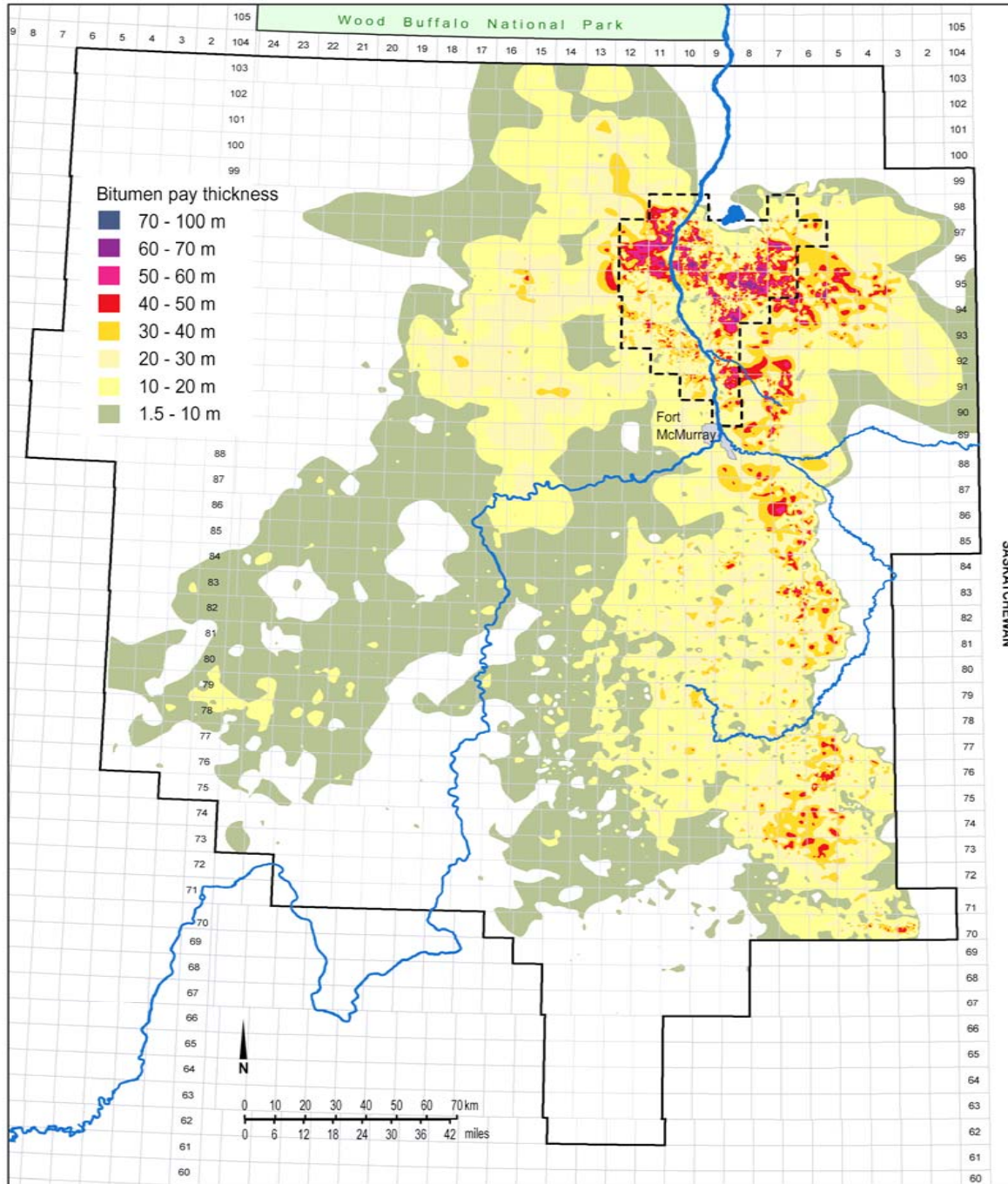


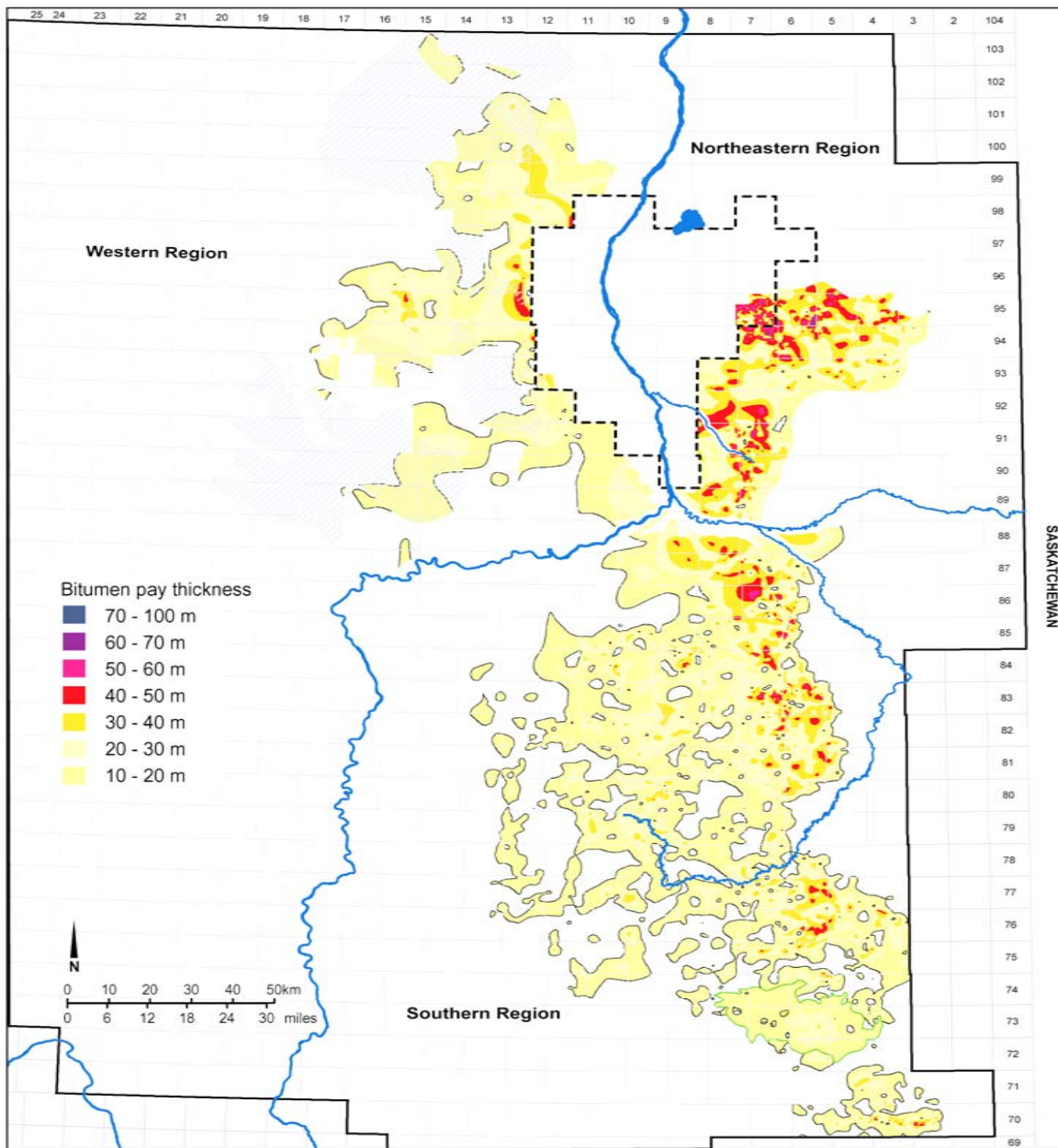


 Oil sands areas  Extent of Athabasca Wabiskaw-McMurray deposit



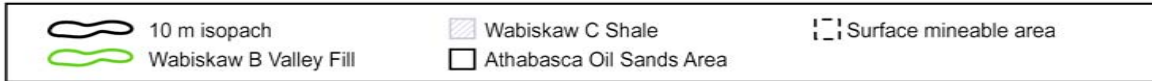
Bitumen pay thickness map of the Athabasca Wabiskaw-McMurray deposit

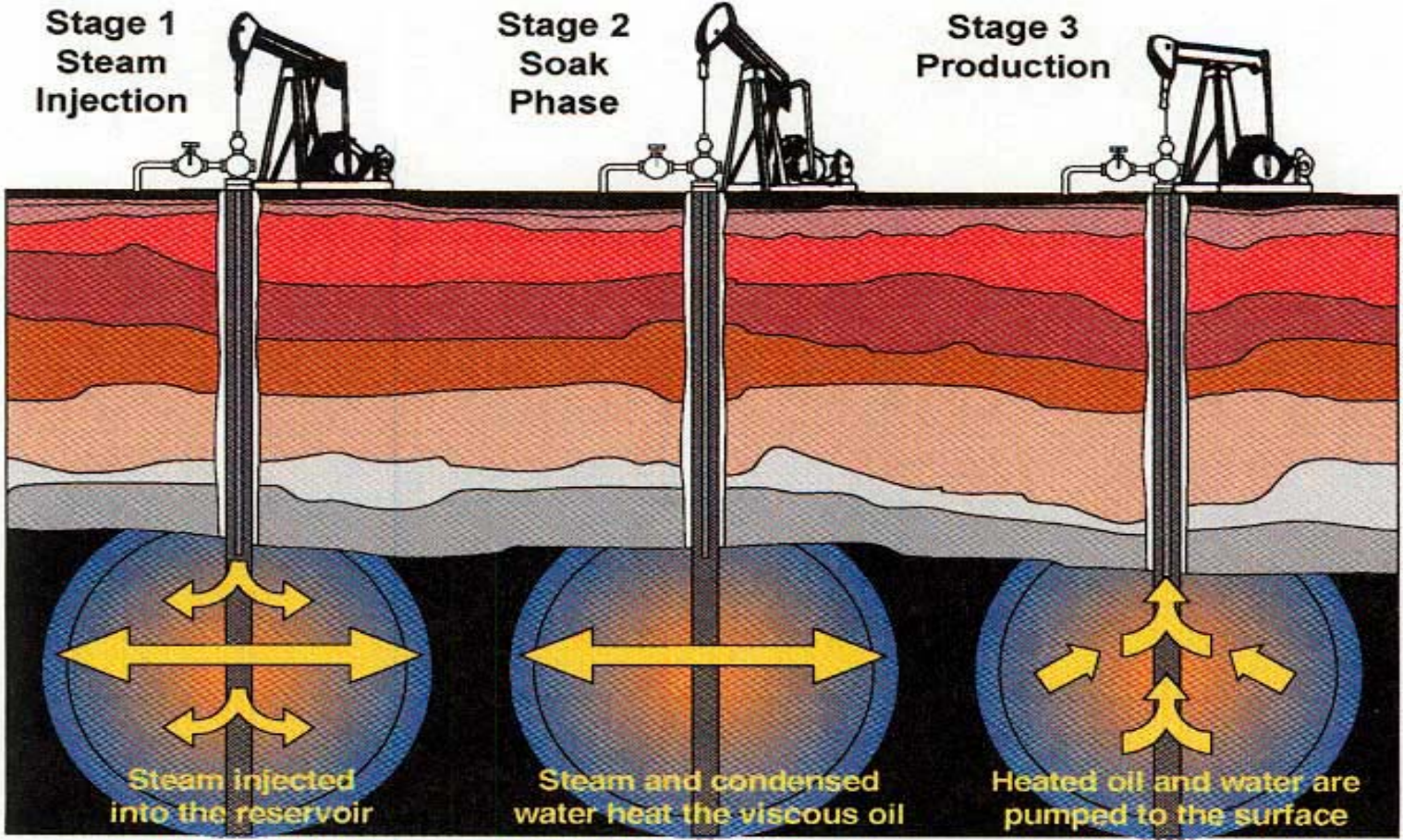
Surface mineable area
 Athabasca Oil Sands Area



SASKATCHEWAN

Bitumen pay thickness map within in situ recoverable areas of the Athabasca Wabiskaw-McMurray deposit





Stage 1
Steam
Injection

Stage 2
Soak
Phase

Stage 3
Production

Steam injected
into the reservoir

Steam and condensed
water heat the viscous oil

Heated oil and water are
pumped to the surface

Normal SAGD Process

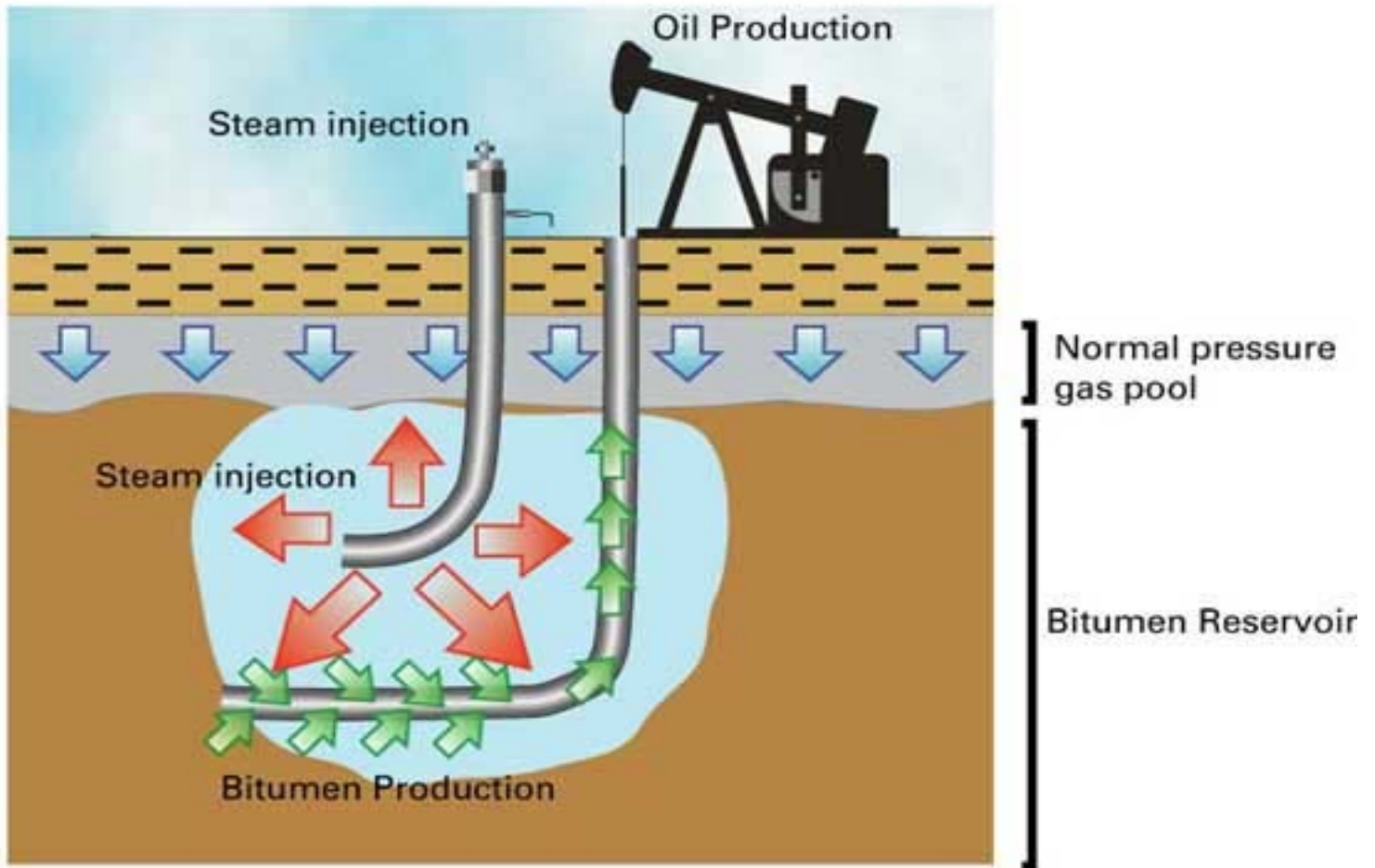


Table 1. Alberta Bitumen Resources and Reserves (10⁹ bbls)

Recovery method	Initial volume in-place	Initial established reserves	Cumulative production	Remaining established reserves	Remaining established reserves under active development
Mineable	110	35.2	3.2	32.0	7.8
In situ	1589	129.3	1.4	127.9	2.6
Total	1699	164.5	4.6	159.9	10.5

Source: EUB ST98-2005

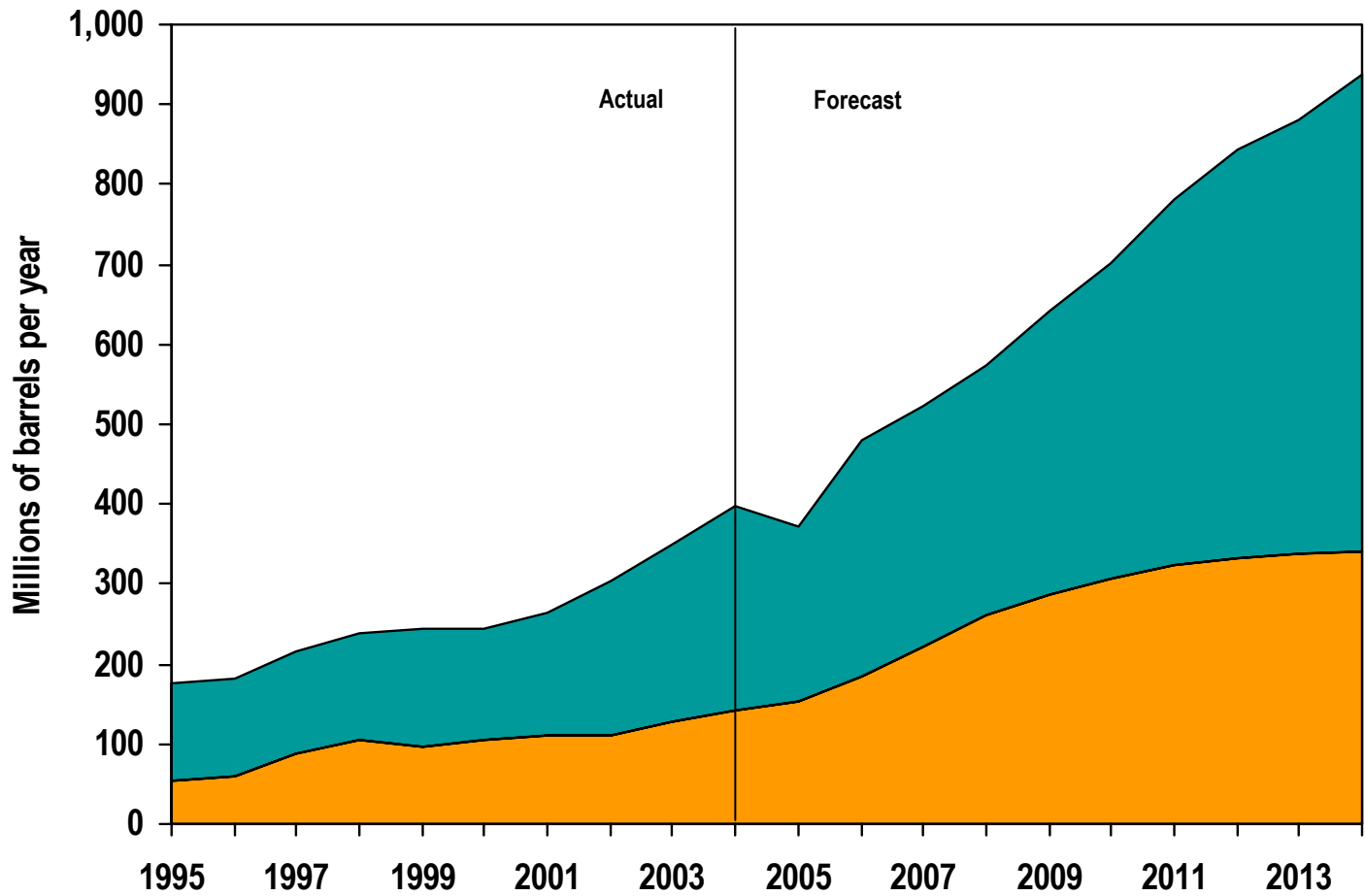


Figure 4. Alberta crude bitumen production

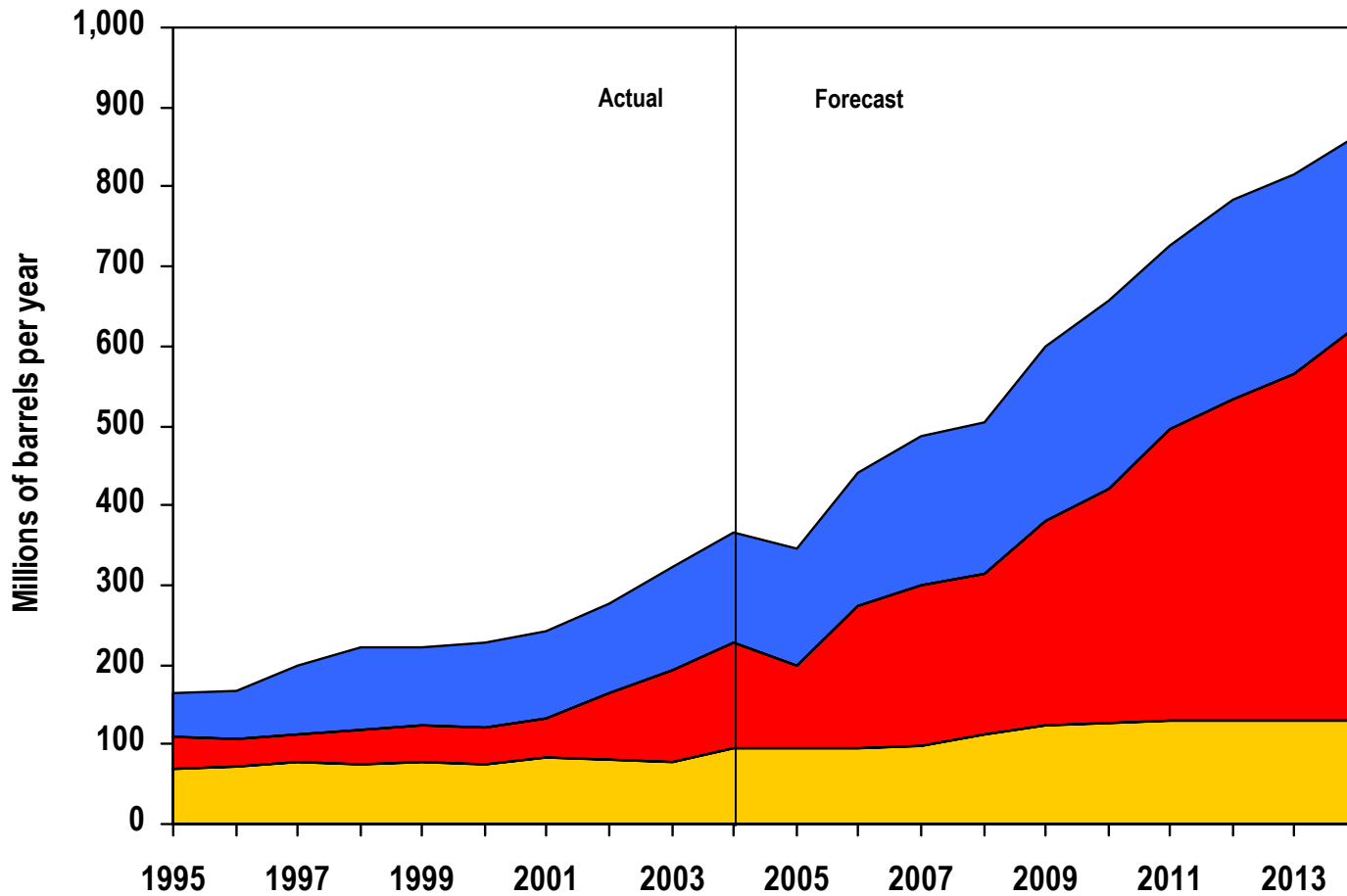


Figure 5. Disposition of Alberta crude bitumen and SCO

**Table 2. Average bitumen and synthetic crude oil supply cost
(real 2003 Canadian \$/barrel)**

	Mining SCO (No Nexen)	Total SCO (With Nexen)	CSS Bitumen (All CSS schemes combined)	SAGD Bitumen (All SAGD schemes combined)
Average Capacity (10³ barrels/d)	432.4	370.0	88.6	72.8
Costs				
Royalties	\$1.46	\$1.56	\$0.80	\$0.67
Taxes	\$2.35	\$2.50	\$1.43	\$1.13
Total Variable	\$11.01	\$10.67	\$1.93	\$2.69
Natural Gas	\$3.12	\$2.95	\$9.36	\$7.47
Electricity	\$1.48	\$1.53	\$0.82	\$0.52
Capital	\$11.60	\$12.15	\$5.69	\$4.80
Abandonment	\$0.04	\$0.04	\$0.04	\$0.03
Subtotal	\$31.05	\$31.40	\$20.07	\$17.29
Credits				
Electricity Credit	\$1.45	\$1.53	\$1.25	\$0.45
Total Supply Cost	\$29.61	\$29.86	\$18.82	\$16.84
WTI Equivalent (US\$/bbl)	\$26.73	\$26.92	\$27.53	\$24.64

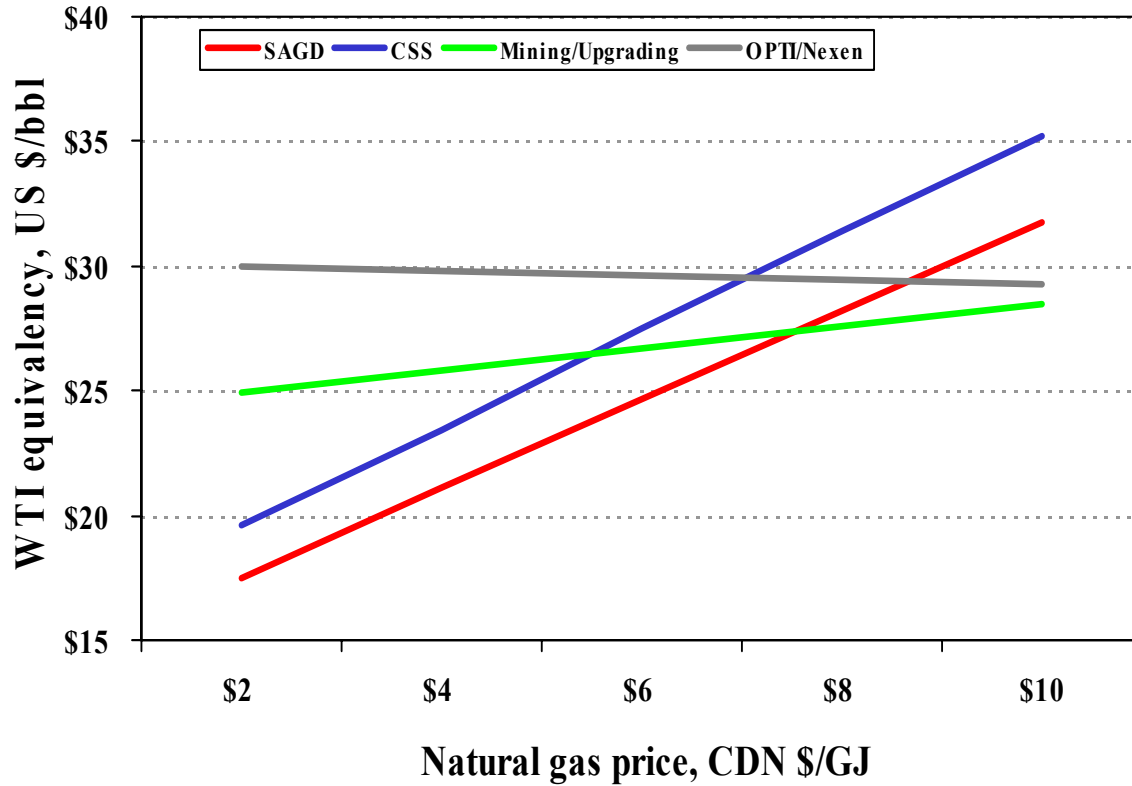


Figure 6. Supply cost sensitivity to natural gas prices

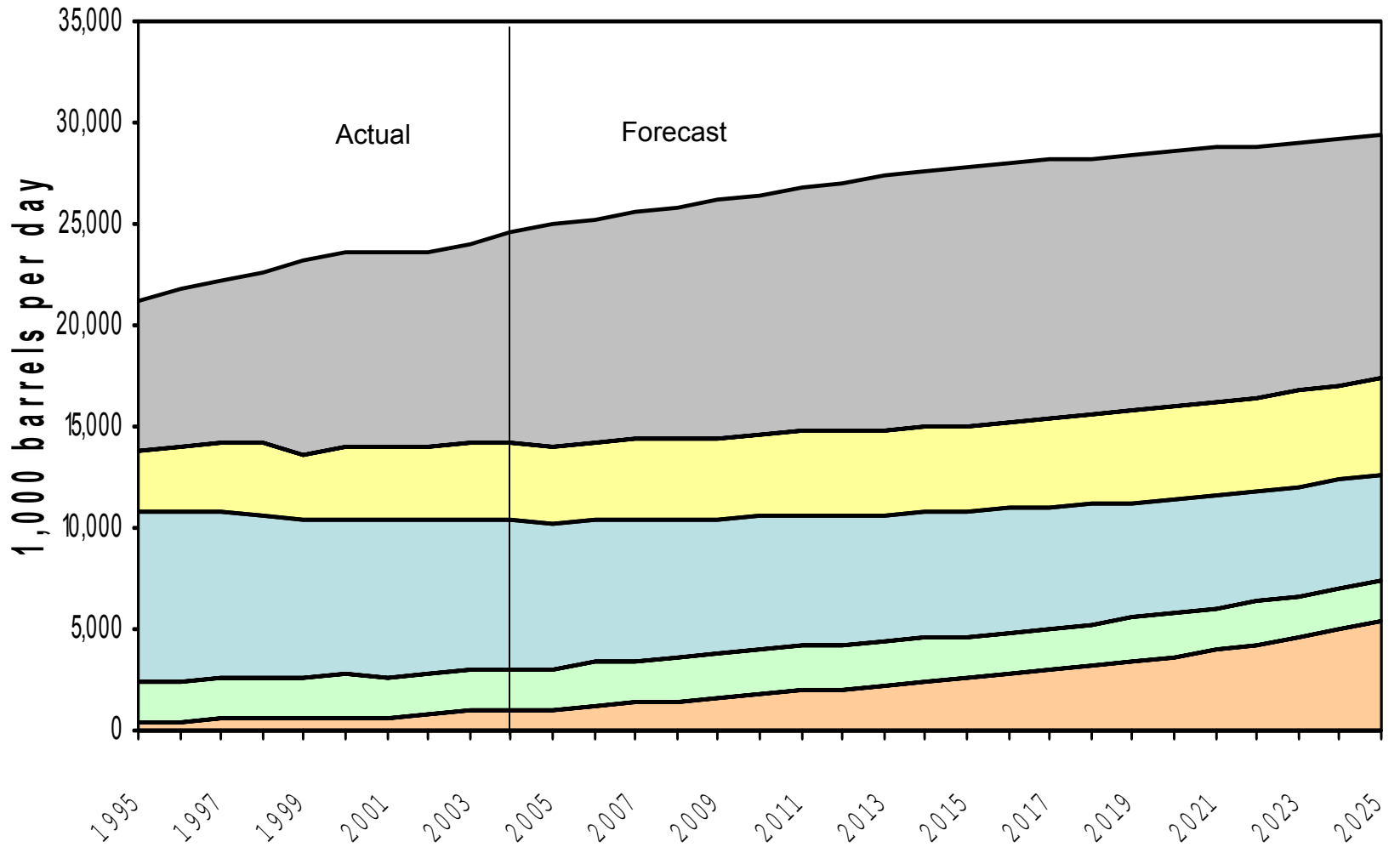


Figure 7. North American Energy Outlook

Table 3. North American market shares

Year	Alberta Oil Sands	Other Canadian	United States	Mexico	Other Imports
2004	4%	9%	29%	16%	43%
2025	19%	5%	18%	16%	42%
