

**NYMEX OIL: US\$74.58**  
-\$0.13  
March delivery  
**NYMEX N. Gas: US\$5.44**  
-\$0.04 per MMBTU  
February delivery



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### TUESDAY PRICES

Benchmark crude for March delivery fell US\$1.02 to settle at \$74.58 on the New York Mercantile Exchange. In other Nymex trading in February contracts, heating oil was fell 15 cents to \$1.95/gal while gasoline fell 2 cents to \$1.97/gal. Natural gas fell 4 cents to finish at \$544 per 1,000 cubic feet. In London, Brent crude fell 56 cents to \$74.71 on the ICE Futures exchange.

### NORTH AMERICAN ROTARY RIG COUNTS

The U.S. rotary rig count increased by 34 to 1,282 for the week of January 22, 2010. It is 233 (15.4%) rigs lower than last year. The number of rotary rigs drilling for oil was up 12 at 437. There are 119 more rigs targeting oil than last year. Rigs currently drilling for oil represent 34.1% percent of total drilling activity. Rigs directed toward natural gas were up 22 at 833. The number of rigs currently drilling for gas is 352 less than last year's level of 1,185. Year-over-year oil exploration in the US is up 37.4 percent. Gas exploration is down 29.7 percent. The weekly average of crude oil spot prices is 82.0 percent higher than last year and natural gas spot prices are 15.9 percent higher. Canadian rig activity was up 29 at 495 for the week of January 22, 2010 and is 69 (16.2%) higher than last year's rig count.

### OIL AND GAS DRILLING EXPECTED TO RISE

The Calgary-based Petroleum Services Association of Canada forecast predicted Wednesday that drilling for oil and natural gas will rebound strongly across Canada this year. PSAC said 9,000 new wells are expected to be drilled across Canada in 2010 — a 12 per cent increase over 2009. The new forecast increases by 1,000 the number of well PSAC predicted would be drilling in its last outlook in November. All of that new activity it expects will take place in Alberta. Growth in Alberta had been expected to be flat this year, but the association said that has changed with improving prices for oil and gas. The PSAC said it now estimates 6,095 wells will be drilled in Alberta this year, an increase of four per cent over final 2009 drilling levels. It expects British Columbia to have 630 wells drilled in 2010, an increase of 10 per cent from last year, and Saskatchewan should see an 11 per cent increase to 1,935 wells. It forecasts Manitoba will see a 29 per cent increase to 300 wells.

### REFINERIES A DRAG ON GLOBAL OIL PROFITS

It is no secret that bad results at the world's largest oil companies' refining units will

hurt fourth-quarter profits, so investors are primed to look past those losses for signs of recovery. Crude prices in the fourth-quarter rose nearly 30 percent from a year earlier, but those gains are both positive and negative for the world's integrated oil companies. The higher prices lift exploration and production profits, but hurt refining margins at a time when the worldwide economic slowdown is still weighing on fuel demand. In fact, average global refining margins in the fourth quarter fell to their lowest level since the first quarter of 1995, according to data from BP Plc. Kurt Wulff, analyst at McDep Associates in Needham, Massachusetts, said it was easy to conjure up a negative view of the downstream business right now, but he saw refining margins bouncing back with seasonal gasoline demand in summer. "The worst of the cyclical pressure is behind us, and the fourth quarter last year was a pretty low quarter," he said. "It's possible that the bad news is known, and investors might look six months ahead to better margins again." To cope with the refining weakness, oil companies are taking a hard look at their refining business. U.S. major Chevron Corp warned investors that fourth-quarter refining margins will be weak and said it will cut jobs and exit some markets. Conoco has said its refining unit will record a loss in the quarter and Barclays Capital analyst Paul Cheng estimates Exxon Mobil Corp's global refining business will have a fourth-quarter loss of \$190 million. Exxon is expected to report a decline of about 30 percent in its fourth-quarter earnings, according to estimates compiled by Thomson Reuters I/B/E/S. And Exxon has about a 3 percent chance of falling short of the Wall Street consensus, according to data from StarMine SmartEstimates, which put more weight on recent forecasts by top-rated analysts. A Reuters poll shows Royal Dutch Shell PI is expected to report a 24 percent drop in quarterly earnings as weak refining margins and cuts to fuel production weigh on profits. By contrast, analysts expect BP to report higher fourth-quarter profits, driven by good results in its oil and gas business and a higher weighting toward oil. Lagged tax charges also weighed on profits at TNK-BP in the year-ago quarter. Higher oil prices will lift the oil major's exploration and production profits, but in most cases, the gains will not be enough to offset the weak refining results, analysts said. "The majors will likely post year-on-year increases in upstream earnings for the first time in five quarters," driven by higher oil prices, lower costs and slightly higher output, UBS said in a note to clients. For the



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fourth quarter, analysts expect Exxon and Conoco to report lower oil and gas production, Shell's output is seen flat, while BP and Chevron are forecast to report higher production. Investors will also be eager to learn more details on Conoco's planned \$10 billion asset sales, since none were provided in the company's latest financial release. Deutsche Bank analyst Paul Sankey wrote last week that the company needed to speed up its asset disposal program, which so far only includes Conoco's stake in Syncrude. Shell is also restructuring but benefits from changes are not expected in

the quarterly results, analysts said. "Restructuring benefits are in the offing but we expect these will only become apparent as we progress through 2010," said analysts at Evo Securities in London. Conoco will report earnings on Wednesday. Exxon is scheduled for Feb. 1. BP will report on Feb. 2 and Royal Dutch Shell will release results on Feb. 4.

### REFINERS SLASH PROCESSING ON WEAK DEMAND

U.S. refining rates dropped 2.9 percent in the week to Jan. 15, the most since October, according to the Energy



The Alberta Council of Turnaround Industry Maintenance Stakeholders ("ACTIMS") comprises of heavy industrial maintenance owners, contractors, GPC/NMC and Building Trade Unions in the Province of Alberta.

ACTIMS goal is to ensure that the upcoming spring turnarounds in 2010 are fully staffed with available qualified, skilled, experienced workers. The projects are:

- Shell Scotford - Fort Saskatchewan
- Muskeg River Mine - Fort McMurray
- Suncor - Fort McMurray
- Syncrude - Fort McMurray

ACTIMS affiliated maintenance contractors who will be involved in the execution of these turnarounds are:

Aecon Field Services	Aluma Systems
Clearwater Welding	Edmonton Exchanger
Jacobs Industrial Services	KBR
Mammoth Crane	Melloy Industrial Services
Northern Crane	Reppsco Services
Safway Canada Services	TAMSIL (Transfield)

Employers mentioned above are looking for certified journeyman trades people in the following classifications:

- Pipefitter/Steamfitter (\$39.58\*)
- Pipefitter Welder, 'B' Pressure/TIG alloy (\$39.58\*)
- Boilermaker (\$38.54\*)
- Boilermaker Welder, 'B' Pressure/TIG alloy (\$38.54\*)
- Crane Operator - Conventional/Hydraulic (\$38.79\*)
- Carpenter/Scaffolder (\$36.17\*)
- Insulator (\$38.05\*)

\*Note: The wage rates mentioned above are for the Fort Saskatchewan project. Add \$0.75 per hour for projects located at Fort McMurray.

Out of province recruits will be provided camp accommodation and travel assistance to Fort McMurray. Individuals hired for Shell Scotford will be provided travel assistance and an accommodation allowance. Details will be provided with a firm job offer. Successful candidates will be required to register with the applicable Alberta Building Trades Local Union.

If you are interested in working at any of the upcoming spring turnarounds and you possess the applicable skills, qualifications and experience, please forward your resume by email or by regular mail to the address below:

ACTIMS  
P.O. Box 76182  
Calgary, Alberta T2Y 2Z9

jobs@actims.ca

An employer's representative from one of the company's listed above will be in touch with you to discuss your interests and availability.

Department. A decline of 0.5 percent was expected by analysts, based on the median of estimates in a Bloomberg News survey. Gasoline inventories rose for a third week last week even as imports declined, the department's Weekly Petroleum Status Report showed. Stockpiles of the motor fuel climbed 3.95 million barrels, the most since November, to 227.4 million. "From a fundamental point of view, the market is oversupplied," said Ken Hasegawa, a commodity derivatives sales manager at Newedge in Tokyo. "After two days' decline, the market

will try testing its lower side around \$75." The Organization of Petroleum Exporting Countries will increase oil shipments by 1 percent in the four weeks to Feb. 6, according to tanker-tracker Oil Movements. The 12-member group is producing more than its output target amid higher oil prices, the Halifax, England-based consultant said yesterday. OPEC pumps about 40 percent of the world's oil. Crude oil may fall this week as U.S. fuel consumption declines and refineries idle units. Eighteen of 42 analysts and traders, or 43



Headquartered in Baker Lake, Qulliq Energy Corporation is committed to supplying safe, reliable and efficient energy to meet the needs of the citizens of Nunavut. We generate electricity under the trade name of Nunavut Power, and develop energy options through the Nunavut Energy Centre, addressing electrical supply and energy issues for all Nunavummiut.

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percent, said oil will drop through Jan. 29. Sixteen respondents, or 38 percent, forecast an increase and eight said prices will be little changed. Last week, 42 percent of analysts predicted a decline in futures.

**SUPERIOR PLUS BUYS GRIFFITH**  
Superior Plus Corp is expanding its refined fuels business in the United States with a deal to buy Griffith Holdings Inc for \$125 million, but the propane distributor cut its 2009 and 2010 outlook as the

economic downturn continues to weigh on its results. The Alberta-based company slashed its 2009 and 2010 adjusted operating cash flow per share outlook, citing continued impact of recession on customers and lower propane distribution and heating oil volumes. Superior cut its AOCF outlook for 2009 to C\$1.80 per share from its prior view of C\$1.90 to C\$2.05 per share. It also cut its 2010 AOCF forecast to C\$1.95 to C\$2.15 per share from C\$2.05 to C\$2.25 per share. The company said the deal, which is



Alexis Minerals Corporation, a Canadian mining company listed on the TSE AMC, owns one gold producer in Val d'Or and the right to own 100% interest in the Lac Pelletier gold property in Rouyn-Noranda, where an underground bulk sampling and exploration program is ongoing which is anticipated to lead to commercial production in 2010. The acquisition of Garson Gold Corp. will give Alexis a third project area located in the very prospective Snow Lake Mining Camp in Manitoba. Alexis will complete a feasibility study of the New Britannia mine in 2010 as well as exploration across the properties, with a focus on the potential for a gold producer in the Snow Lake Camp. **To build its New Britannia team**, located in Snow Lake, Manitoba the company is presently seeking applications for the positions of:

### **Chief Engineer and Senior Mine Engineer**

Candidates must demonstrate strong leadership, communication, and problem solving skills. The responsibilities will include supervision of the engineering staff and technical staff.

#### **Work description**

Both successful candidates will closely participate in the New Britannia mine production restarts, actively participate in establishing underground drilling programs. The candidate will be well experienced with resources calculations in a narrow vein mining environment and able to understand and account for "nugget-effect" grade variations. Establish and maintain a close follow-up of the department budget. The candidates are expected to establish and maintain relationship with operations and technical staffs in order to develop a safe working environment and efficient production.

#### **Qualifications required**

- B.Sc. degree or higher, in mine engineering
- Member of the "Association of Professional Engineers and Geoscientists of the Province of Manitoba, (APEGM)", or able to attain professional status in Manitoba
- Solid experience in mine engineering: 10+ years experience for the Chief Engineer and 5+ years experience for the Senior Engineer
- Experience in team management is an asset;
- Strong computer skills and functional with mine engineering software such as, AutoCAD, Promine, Excel and Word, etc.

#### **Salary**

Alexis Minerals Corporation offers competitive salary, based on qualifications and experience and an excellent benefit plan. Send your resume to the following address:

**ALEXIS MINERALS CORPORATION**  
Manitoba Division New Britannia Mine  
Fax: (204) 358-2030  
email: nbmsnrgeoeng@hotmail.com  
Web site: www.alexisminerals.com

*Alexis Minerals Corporation provides equal employment opportunities to all.*



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### **Chief Mine Geologist and Senior Mine Geologist**

Candidates must demonstrate strong leadership, communication and problem solving skills. The responsibilities will include supervision of the geological technical staff related to underground mine development and production.

#### **Work description**

Both successful candidates will closely participate in the New Britannia mine production restarts, actively participate in establishing underground drilling programs. The candidate will be well experienced with resources calculations in a narrow vein mining environment and able to understand and account for "nugget-effect" grade variations. Establish and maintain a close follow-up of the department budget. The candidates are expected to establish and maintain relationship with operations and technical staffs in order to develop a safe working environment and efficient production.

#### **Qualifications required**

- B.Sc. degree or higher in geology or in geological engineering;
- Member of the "Order of Professional Geologists of Manitoba" or "Association of Professional Engineers and Geoscientists of the Province of Manitoba"; or able to attain professional status in Manitoba
- Solid experience in mining geology; 10+ years experience for the Chief Geologist and 5+ years experience for the Senior Mine Geologist;
- Experience in team management is an asset;
- Strong computer skills and functional with most software used in mining industry

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expected to close by Wednesday, would add about 5 Canadian cents per share to its 2010 adjusted operating cash flow. New York-based Griffith distributes propane, heating oil and motor fuels through 27 branch locations, 26 bulk storage depots and three storage terminals. The deal was financed with proceeds from its existing revolving-term bank credit facility and the company now has about C\$64 million of undrawn credit capacity available under its C\$570 million syndicated credit. Superior said it plans to pursue additional acquisition and consolidation opportunities in the highly fragmented heating oil and propane distribution industry in north-eastern

United States and eastern Canada. Superior, which has been expanding in the United States, bought retail heating oil assets and propane distribution assets from Sunoco Inc in September and Griffith Energy Services assets in December last year. Superior also announced that it has entered into an agreement, on a bought deal basis, with a syndicate of underwriters co-led by Scotia Capital Inc., National Bank Financial Inc. and TD Securities Inc., including CIBC World Markets Inc., BMO Capital Markets and Cormark Securities Inc. for an offering of 4,350,000 common shares at \$13.85 per share to raise gross proceeds of approximately \$60 million. Closing is

expected to occur on or about February 10, 2010 and is subject to customary regulatory approvals, including approval of the Toronto Stock Exchange. Superior has also granted the underwriters an over-allotment option to purchase, on the same terms, up to an additional 652,500 common shares to cover over-allotments. This option is exercisable, in whole or in part, by the underwriters at any time up to 30 days after closing. If the option is exercised in full, the total gross proceeds raised under this offering will be approximately \$69 million. Superior intends to use the proceeds of the common share offering to repay existing revolving term bank debt issued in

relation to the US\$125 million acquisition of Griffith Holdings, Inc. The acquisition was initially financed by Superior drawing on its \$570 million syndicated credit facility.

#### **CRESCENT POINT COMPLETES ACQUISITION**

Crescent Point Energy Corp. has completed the previously announced acquisition of certain assets in southwest Saskatchewan from Penn West Energy Trust. With completion of the Acquisition, Crescent Point acquires approximately 3,500 boe/d of high quality production, 86 percent of which is from the Lower Shaunavon crude oil resource play, approximately 172 net sections of

undeveloped Lower Shaunavon land, and proved plus probable reserves of 27.5 million boe. Total consideration paid includes Crescent Point's 100 percent working interest in the Pembina Cardium play recently acquired through the Company's arrangement with TriAxon Resources Ltd., a 50 percent working interest in Crescent Point's Dodsland Viking play (the "Dodsland Assets") and \$434 million of cash. Net of the Pembina Assets and the Dodsland Assets, Crescent Point acquires from Penn West approximately 2,900 boe/d of high quality production and reserves of approximately 20.8 million boe proved plus probable.



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#### PARAMOUNT UPDATE

Paramount Energy Trust advises that an updated investor presentation has been added to its website. The presentation, which can be found at [www.paramountenergy.com](http://www.paramountenergy.com), includes updated hedging information and details of the Trust's 2010 capital expenditure program, prospect inventory and new venture opportunities, including PET's significant exposure to the emerging Pembina Cardium tight oil play. PET has 61 gross (36 net) sections of land in the Cardium light oil fairway in the Carrot Creek area to the northwest of the giant Pembina oil field. In 2010, the Company is planning to drill three gross (two net) Cardium horizontal development wells and one 100% vertical exploration well on the play. Based on industry activity, potential development drilling density could be two to four wells per section. On a three well per section drilling density, the Company has a potential inventory of 118 gross (66 net) locations. PET also has 30 gross (18 net) sections of Cardium rights in the Cochrane area to the South of Garrington where there has also been significant industry activity on the Cardium trend. "We are excited about the significant evolution in our asset base and prospect inventory over the past three years," said Sue Riddell Rose, President and CEO of the Trust. We are increasingly better positioned to make our conversion to a corporation later in 2010.

#### PROGRESS OPERATIONAL UPDATE

Progress Energy Resources Corp. has provided an operational update on its capital program in the Foothills of northeast British Columbia and the Deep Basin of northwest Alberta. Progress currently has ten drilling rigs and seven service rigs running across its operating region and anticipates drilling approximately 30 wells and investing \$125 million in the first quarter of 2010. In 2009, during a challenging year in the global economic markets and natural gas industry, Progress made significant strides in building underlying value for shareholders through a focused capital investment program. Progress expanded its Montney land holdings in the Foothills by adding over 63,000 acres of Montney rights in 2009. With approximately 575,000 acres of Montney rights in the

Foothills alone, Progress has one of the largest land positions in the Montney fairway in northeast British Columbia. Exploration drilling in 2009 focused on the Town area where a successful three-well vertical program was followed-up by a three-well horizontal program including a 10 million cubic feet ("mmcf") per day horizontal test in Town South area. Following up on this success, the Corporation has now initiated phase one of its Montney development program. On October 28, 2009 Progress announced that GLJ Petroleum Consultants Ltd. ("GLJ") had completed an independent evaluation of the Discovered Petroleum Initially-In-Place ("DPIIP") in the Town Montney property. Effective October 27, 2009, GLJ concluded that the best estimate of DPIIP for the Town Montney project was 1.7 trillion cubic feet, net working-interest to Progress, over an area of 40 sections (38.3 net).(1) This represents less than five percent of Progress' Foothills Montney land position. Throughout 2009, Progress made technical advancements on drilling and completions techniques and employed microseismic extensively to determine the most economic and efficient method for drilling and fracture stimulating the Montney formation in the Foothills. Phase one of the development program, which is underway, includes four horizontal wells in the Town South area and a 25 mmcf per day compressor and dehydration facility, with expansion capability to 50 mmcf per day, which will be constructed and on stream in the second quarter. The horizontal wells cost approximately \$6.3 million to drill and complete and will benefit from the deep drilling royalty credit program in British Columbia. The credit of approximately \$2 million per well will be recovered as a reduction to royalties payable. Over the longer term, capital cost reductions are expected to result from a larger, focused drilling program which will minimize rig movements and consolidate the drilling and completions operations. Five vertical delineation wells and five re-completions will be undertaken in the first quarter of 2010 targeting high potential areas where Progress has large contiguous land blocks, operatorship and control of area infrastructure. Three wells were completed and tested at Kobes, Gundy and Caribou and have significantly



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expanded the areal extent of Progress' productive Montney fairway in the Foothills to the north, south and west of Town. These vertical wells averaged one mmcf per day on test and as such are expected to lead to further development phases in 2010. Additionally, drilling activity is underway in the Altares/Farrell Creek area and, with success, will extend the fairway a further 30 miles to the south. Progress has two drilling rigs underway in the Deep Basin targeting to drill 14 wells in the first quarter of 2010. The capital program will continue to expand the opportunities in the greater Gold Creek area where the Corporation continues to have strong success with the Nikanassin as a major production contributor. During the second half of 2009, Progress drilled 10 wells in the Deep Basin with an average test rate exceeding two mmcf per day. The economics for drilling in the Deep Basin remain very compelling and have been enhanced by the drilling credits provided under the Alberta Drilling Royalty Credit Incentive Program. This program provides a drilling credit of \$200 per meter drilled and the New Well Royalty Incentive Program provides a five percent royalty for the first year of production up to 500 mmcf. Progress is a dominant producer in the Deep Basin with ownership in area infrastructure providing market access for its expanded drilling program. The Corporation has over 300 multi-zone wells identified as drilling prospects within the Deep Basin of northwest Alberta. Progress will have an active program in the first quarter of 2010 drilling eight wells targeting its traditional Gething, Halfway and Debolt opportunities throughout the Foothills. These wells are highly economic opportunities with low cost structures due

to the well developed area infrastructure and will also benefit from the favorable royalty structure in British Columbia. Progress has over 350 wells in inventory in the Foothills of northeast British Columbia.

#### NORDIC ANNOUNCES OFFERING

Donald Benson, President of Nordic Oil and Gas Ltd. has announced that the Company intends to undertake two new non-brokered private placement offerings. They will be comprised of up to 20,000,000 units at a price of \$0.15 per Unit for gross proceeds of \$3,000,000 to various subscribers; and, 2.0 million units at a price of \$0.12 per Unit for gross proceeds of \$240,000. Each Unit priced at \$0.15 will consist of one Class A common share of the Company issued as a "Flow-Through share" within the meaning of the Income Tax Act (Canada) and one-half of one Class A common share purchase Warrant. Each whole Warrant would entitle the holder thereof to purchase one regular Class A common share of the Company at a price of \$0.18 for a period of 18 months from the date of issuance. Each Unit priced at \$0.12 will consist of one Class A common share of the Company plus one-half of one Class A common share purchase Warrant. Each whole Warrant would entitle the holder thereof to purchase one Class A common share of the Company at a price of \$0.14 per share for a period of two years from the date of issuance. "A portion of the funds generated from these two Offerings will be used to drill a new deep test well - 1,500 metres - on our Talbot Lake property, with the remainder of the money used to drill an additional seven new heavy wells at Lloydminster," Mr. Benson. "This would bring to 25 the total number of wells at Lloydminster."