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August delivery
NYMEX: N Gas: US\$4.42
+\$0.03 per MMBTU
July delivery



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Canadian Edition

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NORTH AMERICAN RIG COUNT

The U.S. rotary rig count was up 5 at 1,860 for the week of June 17, 2010. It is 321 rigs (20.9%) higher than last year. The number of rotary rigs drilling for oil increased 15 to 984. There are 410 more rigs targeting oil than last year. Rigs drilling for oil represent 52.9% percent of all drilling activity. Rigs directed toward natural gas were down 9 at 870. The number of rigs currently drilling for gas is 89 lower than last year's level of 953. Year-over-year oil exploration in the U.S. is up 71.4 percent. Gas exploration is down 8.7 percent. The weekly average of crude oil spot prices is 25.9 percent higher than last year and natural gas spot prices are 9.9 percent higher. Canadian rig activity is up 45 at 277 for the week of June 17, 2011 and is 41 (17.4%) higher than last year's rig count.

ENBRIDGE ORDERED TO CUT PRESSURE ON LINE 2

The National Energy Board has ordered Enbridge Inc. to cut pressure on its 440,000 barrel per day Line 2 last October after raising concerns that the company might not be able to detect cracks in the oil pipeline. The National Energy Board's order remains in effect. It restricts the pipeline, which runs from Edmonton, Alberta, to Superior, Wisconsin, to operating at 80 percent of normal pressure, according to documents provided by the regulator. The board said it was concerned that Enbridge might not be able to consistently identify cracks in pipes laid before the 1970s using flash-welding techniques. "The board notes a correlation between pre-1970s flash welded pipe and cracking-related incidents on Enbridge's pipelines," it said in its letter to the company. "The board also notes that Enbridge's hazard identification practices have not been consistently reliable in detecting, identifying and sizing cracking-related anomalies in the pre-1970s flash welded pipe." The regulator said it has ordered the company to operate at reduced pressure until it demonstrates it can "effectively identify, assess and mitigate cracking on its Canadian pipelines". In its letter to Enbridge, the board said it had been monitoring the investigation into a July rupture on the company's Line 6B in Michigan that spilled more than 20,000 barrels of oil into a river system. The spill was the first of a series that occurred on Canadian-operated pipelines over the past year, with aging lines being the worst hit. Following the Michigan spill, the regulator reexamined incidents of cracking in the Enbridge lines that it oversees and said the number of cracks found in Line 2 had not decreased over time. It set a series of conditions on the company before it will allow the line to

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return to normal operating pressures. They include asking Enbridge for additional testing on all parts of the line built using

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- Experience using CAD software (preferably SolidWorks and AutoCAD)
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Employee Benefits: Full group benefit package

RIG SERVICE HAND/FIELD SERVICE TECHNICIAN

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- "On call" work on a rotational basis
- International travel may be occasionally required

Basic Qualifications:

- High school diploma • Journeyman mechanic or electrician certificate is an asset
- Top drive rig up/rig down experience considered an asset
- Rig experience or background considered a **huge** asset
- 2+ years experience with top drive maintenance • Ability to travel internationally

Preferred Qualifications:

- Excellent verbal and written communication skills
- Strong organizational skills • Strong mechanical aptitude

Employee Benefits: Full group benefit package

- Apprenticeship available for the right candidate (i.e. rig experience, mechanical aptitude and a great attitude)

HYDRAULIC DESIGNER

Responsibilities:

- Design and drafting hydraulic systems for Oilfield drilling equipment
- Developing, testing and troubleshooting in the shop and on occasion in the field

Basic Qualifications:

- Completion of a related Technical School Diploma or Certificate
- 3 + years experience

Valuable Assets:

- Experience with oilfield drilling • Experience with manufacturing
- Experience using CAD software, (preferably SolidWorks and AutoCAD)

Employee Benefits: Full group benefit package

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Thank you all candidates for your interest, only select individuals will be contacted for follow-up.

flash welding before 1970, and asking the company to demonstrate it can detect and mitigate cracks. Earlier this month the

board also put pressure restrictions on Enbridge's Norman Wells pipeline in the Northwest Territories after it leaked as

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Suretech Tool Services Inc., a new progressive service company, is seeking a downhole tool technician for the Lloydminster area. Preference will be given to experienced tool hands. Suretech offers competitive compensation, benefits and room for advancement.

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much as 1,500 barrels of oil. That line was also cut to 80 percent of normal pressure.

ENCANA SHALE DEAL COLLAPSES

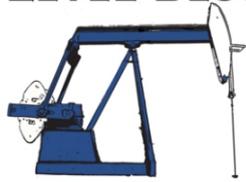
Encana Corporation and PetroChina International Investment Company, a subsidiary of PetroChina Company Limited, have ended negotiations for a proposed \$5.6 billion joint venture concerning Encana's Cutbank Ridge business assets after the parties were unable to achieve substantial alignment with respect to key elements of the

proposed transaction, including the joint operating agreement. "After close to a year of exclusive negotiations with PetroChina, we were unable to reach alignment on the planned transaction. The disciplined and determined process we undertook on this one initiative in our multi-faceted and ongoing joint-venture strategy has gone a long way to demonstrate the tremendous value that we have created at Cutbank Ridge and it validates our plans to accelerate recognition of that value. As such, we have determined that the best way

for us to advance our plans to unlock value from our Cutbank Ridge business assets is to offer up a variety of joint venture opportunities for portions of the undeveloped resources, and, separately, to examine a transaction with respect to our midstream pipeline and processing assets in the area. Each of these opportunities has the potential for strong long-term growth and value generation. We have an accomplished history of realizing significant value from our enormous resource potential through competitive

processes that secure premium joint venture partners. We have retained RBC Capital Markets and Jefferies & Company, Inc. to conduct this process and we look forward to discussing these very attractive opportunities with an array of potential investors in the upcoming months," said Randy Eresman, Encana's President & Chief Executive Officer. The joint-venture was to be the largest of a string of Chinese investments in North America. State-controlled PetroChina wanted new energy supplies to power China's booming

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economy while Encana aimed to share the costs of developing its Canadian shale gas lands.

FLINT AWARDED MEG CONTRACT

Flint Energy Services Ltd. has announced that the Company has signed a letter of intent for a major oil sands construction contract with MEG Energy. The agreement covers MEG Energy's Christina Lake Phase II SAGD project near Conklin, Alberta. The agreement includes both field construction and pipe fabrication, the latter of which will be manufactured at the Company's fabrication facilities in Sherwood Park, Alberta. Construction will begin in Q3 of 2011 with completion in Q1 of 2013. Flint anticipates its work on the project will employ over 600 people at peak. The Company also reported it has received additional field construction work on Suncor Energy's Firebag in situ project since the first quarter of 2011. Including the new agreement with MEG Energy, the total value of the added backlog for company's Facility Infrastructure segment is approximately \$300 million.

INTER PIPELINE BUYS DANISH STORAGE UNITS

Inter Pipeline Fund says it has agreed to buy four petroleum storage terminals in Denmark from a unit of state-owned DONG Energy for about C\$500 million (\$510.5 million) in cash, to expand in Europe. "This acquisition more than doubles our storage

capacity in Western Europe, while complementing Inter Pipeline's existing storage operations in the United Kingdom, Ireland and Germany," Chief Executive David Fesyk said in a statement. Inter Pipeline expects the deal to add immediately to its results. It also sees the deal, expected to close in October, adding new long-life energy infrastructure assets to its portfolio. The deal will increase Calgary, Alberta-based Inter Pipeline's total storage capacity in Western Europe to about 19 million barrels and establish the company as the fourth largest independent storage business in Europe.

TRANSCANADA COMPLETES GUADALAJARA PIPELINE

TransCanada Corporation has announced that its US\$360 million Guadalajara Pipeline has been completed. The entire capacity of the 307-kilometre (192-mile), 30-inch-diameter pipeline is held under a 25-year contract with Comisión Federal de Electricidad (CFE), Mexico's state-owned electric company. "The Guadalajara pipeline represents key infrastructure that will allow CFE to continue developing a natural gas-fired electricity generation fleet in the rapidly growing central region of Mexico," said Russ Girling, TransCanada president and chief executive officer. "We are very pleased to be part of this overall development plan." "Completion of the Guadalajara pipeline represents another milestone in TransCanada's ongoing

capital program," Girling continued. "Guadalajara is TransCanada's second pipeline investment in Mexico and highlights our ability to complete pipeline projects in the country which positions us well for future opportunities." The Guadalajara pipeline connects to an LNG regasification facility located near Manzanillo, in the state of Colima. It has a capacity to transport 500 million cubic feet of natural gas per day to a nearby CFE owned power plant and 320 million cubic feet per day to the Pemex-owned national pipeline system near Guadalajara, in the state of Jalisco. TransCanada has put into service seven other major projects in the last year. The Keystone Pipeline System Phases I & II are delivering oil; the Groundbirch and Bison natural gas pipelines are transporting natural gas to market; Maine's largest wind project - Kibby Wind - became fully operational in late October; and the Halton Hills Generating Station in Ontario and Coolidge Generating Station in Arizona have begun producing power.

SUNCOR COMPLETES MAINTENANCE

Suncor Energy Inc. reported today that it successfully completed planned maintenance work on one of its two oil sands upgraders (U2) at its oil sands operations near Fort McMurray safely and on schedule. Oil sands production has returned to normal levels. Approximately 5000 employees and contractors were

involved in the work, which was part of Suncor's ongoing regular planned maintenance program. The work on Upgrader 2 reduced output at the facility by 215,000 barrels per day over its duration. Its normal capacity is 350,000 bpd.

WEATHERFORD SETTLES WITH BP

Oil services group Weatherford International Ltd., which provided equipment used in the doomed Macondo well, agreed to pay BP Plc \$75 million toward the cost of the Gulf of Mexico oil spill. BP has agreed to indemnify Weatherford in relation to economic claims from people affected from the spill and environmental damage. The settlement is the second BP has reached with parties involved in the well. Japanese trading house Mitsui, which owned a 10 percent stake in the Macondo well through its exploration unit, agreed in May to pay \$1.1 billion towards the spill clean-up in what was seen as a key victory in BP's battle to share the costs of the disaster. "It's not groundbreaking ... because Mitsui set the precedent," said Investec analyst Stuart Joyner. "The payment is symbolic, \$75 million is neither here nor there in the context of the wider fund. I wouldn't overstate the importance, but it's a step in the right direction." BP said it was working to ensure other partners in the well, including Anadarko Petroleum, Transocean Ltd and Halliburton Co, also contribute to clean-up costs.

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