

WTI OIL: US\$99.43
+\$0.23
September delivery
NYMEX: N Gas: US\$4.33
-\$0.05 per MMBTU
August delivery



oilfield NEWS

oilfieldnews.ca



M
MARK MILNE
 LUXURY REAL ESTATE
 www.markmilne.com

Published By **NEWS COMMUNICATIONS** since 1977

Canadian Edition

Wednesday July 27, 2011

NORTH AMERICAN RIG COUNT

The U.S. rotary rig count was up 11 at 1,916 for the week of July 22, 2011. It is 331 rigs (20.9%) higher than last year. The number of rotary rigs drilling for oil increased 8 to 1,026. There are 430 more rigs targeting oil than last year. Rigs drilling for oil represent 53.3% percent of all drilling activity. Rigs directed toward natural gas were up 4 at 889. The number of rigs currently drilling for gas is 93 lower than last year's level of 982. Year-over-year oil exploration in the U.S. is up 72.8 percent. Gas exploration is down 9.5 percent. The weekly average of crude oil spot prices is 26.0 percent higher than last year and natural gas spot prices are 9.5 percent lower. Canadian rig activity is down 18 at 376 for the week of July 22, 2011 and is 27 (7.7%) higher than last year's rig count.

STERLING APPROVES BREAGH FIELD DEVELOPMENT PLAN

Calgary's Sterling Resources Ltd. has announced that the Field Development Plan ("FDP") for the Breagh gas field has received the unconditional approval of the UK Department of Energy and Climate Change. FDP approval from DECC was formally granted at a ceremony that took place at RWE Dea UK's London office earlier today, which was attended by Charles Hendry MP, UK Minister of State for Energy, as well as representatives of both Sterling and RWE Dea UK. RWE Dea UK is operator of the Breagh field holding a 70 percent working interest, with Sterling holding the remaining 30 percent. The Breagh field is one of the largest natural gas discoveries to be developed in the UK Southern North Sea in recent years. The gas field is a conventional Carboniferous reservoir and will be the first large scale production for Sterling. "The approval of the FDP for the Breagh field is a major milestone for Sterling as we move from a pure exploration and appraisal company into a full cycle E&P organization," noted Mike Azancot, Sterling's CEO. "Sterling has been at the forefront of the project as operator of the Promote licenses awarded in 2004 and 2005 culminating in a major exploratory drilling campaign in 2007. We have maintained our belief in the value of the assets with a determination to develop the field with the current operator RWE Dea UK. Now, with initial gas production only about a year away, Breagh will be a cornerstone to our future growth plans," added Mr. Azancot. With the receipt of the FDP approval and the finalization of the debt facility announced last week the Breagh project is moving towards completion. Around 100 kilometres of 20 inch pipeline has been successfully installed offshore and the platform is due for installation in early September. The

MATCO MFG LTD



Oilfield Rig Mats
 Custom Fabrication
(780) 568-4484

Rob: (780) 518-0923 Luke: (780) 876-0098
 email: matman.rigmats@gmail.com
 SEXSMTIH, ALBERTA

GOLFVIEW MOBILE ACRES

RV PARK

KINDERSLEY
(306) 463-3839

WIFI, 4 SEASON, FULL HOOKUP

Double BB Glass Ltd.



Specializing in All
 Glass Services

780 940-6943
 ALCOMDALE, ALBERTA

ICON WINDOW FILMS INC

GLASS-GARD ■ SUN-GARD ■ DECO FILMS

Safety & Security Films, Sun Control Films
 Specialty & Graphic Films Since 1989

144 Riverstone Close S.E. Calgary, AB T2C 4B7
 www.iconwindowfilms.com 403-291-6499

LAKELAND HEARING

aid centre

Hearing Evaluation/Hearing Aids/Service
 Custom Ear Protection

4905 50 Ave Cold Lake, AB **1-800-539-9315**

Alberta Prairies Contracting LTD.



SPECIALIZING IN ALL YOUR
 CONTRACTING NEEDS

■ GENERAL CONTRACTING ■ WELDING
 ■ CONCRETE WORK ■ INDUSTRIAL
 ■ ROOFING - FRAMING MAINTENANCE

(403) 892-3775 (403) 634-7419

AlbertaPrairies@gmail.com

platform was constructed by Heerema Vlissingen in the Netherlands and consists of a jacket approximately 85 metres tall with a total weight of some 4,000 tonnes and topsides of approximately 1,400 tonnes. The platform will be installed by Heerema Marine Contractors. Energy Minister Charles Hendry said, "This is welcome news, Breagh is one of the

Broda Group of Companies is currently seeking

HEAVY EQUIPMENT OPERATORS

FOR OUR CALGARY RUNWAY DEVELOPMENT PROGRAM

to work in a fast paced, safety conscientious, energetic work environment with a strong emphasis on team work.

Founded in 1957, Broda Group of Companies is a growing Saskatchewan based Mining and Heavy Construction Company, with an operating equipment fleet of over 400 units and growing. Broda specializes in contract mining, infrastructure development involving heavy and civil construction and aggregate processing.

Wages are competitive with industry standards complete with health benefit package, group RRSP contributions and work scheduling to balance quality of life.

Candidates duties will include:

- Safely and productively operate equipment in a team environment.
- Complete daily equipment checks and general housekeeping of equipment.

Requirements:

- Ability to speak, read, write and understand the primary language used in the workplace.
- Past experience in the operation of the equipment and the ability to understand construction stakes.
- Ability to complete preventative maintenance checklists
- Ability to maintain focus on the on tasks at hand.
- Ability to act upon observations and relate appropriate Company policies and procedures to situation.
- Ability to work affectively and efficiently both independently and in a team environment.
- Ability and flexibility to work varied shifts, including weekends.

We are poised for growth and need your talent and expertise. If you are interested in this exciting opportunity, please apply in confidence via fax (306) 763-5788 or e-mail to sherry.nard@sasktel.net



MORGAN

Morgan Construction & Environmental Ltd.

Morgan Construction & Environmental Ltd. is looking for experienced Finishing Grader, Scraper, Hoe, Dozer, Rock Truck Operators, and Labourers for work in the oilfield and heavy civil construction projects.

Clean driver's abstract and all safety tickets a must (Standard First Aid, H2S, CSTS/PST and Ground Disturbance II). Competitive wages, full benefits.

Resumes can be faxed to **780-960-8930**

or emailed to **careers@mcel.ca**,

or apply in person at 702 Acheson Road, Acheson, Alberta.

Only those contacted will be interviewed.

and bring the development forward under the partnership and operatorship of RWE."

FOREST GATE AMENDS OIL & GAS LICENSES

Forest Gate Energy Inc reports that it has amended its participation in the oil and gas licenses located in areas known as Rangeview, Divide and Katherine in the

HUNTING ENERGY SERVICES (PIPE DIVISION) LTD.

Hunting Energy is currently looking for a dynamic individual to fill the position of

THREAD/CONNECTION SUPERVISOR

Candidate must work well with people, have good communication skills, can multi-task in a fast pace environment. 24 hr - 7 day/week. Previous experience with tongs, thread inspection, and thread supervision.

Hunting offers competitive salary, plus day rate, and benefits package.

FAX: 780-955-8764
HESCL.job.applications@hunting-intl.com



Box 510, Elk Point, AB, T0A 1A0

We have great career advancement opportunities!

Immediate Positions Available:

- Flush By Operators
- Dispatcher (local area)
- Tri Vac Operators
- Fluid Truck Sub Contractors
- Body Vac Operators
- Fluid Truck Operators
- Pressure Truck Operators

* Overtime after 9 hours * Full Benefits Package * Flexible Shifts
Provincially regulated (including hours of service)

5 YR DRIVER'S ABSTRACT REQUIRED BEFORE HIRE

Fax resumes and Driver's Abstract to 780-724-4024 or email to
coralk@e-can-oilfield.com

SERVICE COMPANY Looking for OPERATORS & ROUGHNECKS for Flush-By.

Competitive wages & benefits.
Must have class 3 or 1 licence
Fax 403-314-0616

south western region of the Province of Saskatchewan. As a result of this arrangement with Trafina Energy Ltd., the majority owner and operator of the oil and gas licenses, Forest Gate will reduce its non-operated ownership from a 20 percent undivided working interest to a 10 percent undivided working interest in the licenses, which encompass the original acreage, as well as seven additional sections recently acquired in south

western Saskatchewan. The remaining 90 percent interest is owned and operated by Trafina Energy. With this arrangement, Forest Gate's ten percent interest has now been expanded to include additional Petroleum and Natural Gas Leases as part of an Inclusion Agreement signed with Trafina on July 1, 2011. These include seven new sections offsetting the existing land block in south western Saskatchewan. By reducing its participation and the associated financial commitments to 10 percent, Forest Gate will use the savings from the operating costs to pursue other oil and gas opportunities with the ultimate goal of becoming an operator on its own properties. "The original acquisition has provided Forest Gate with a great opportunity to expand its oil and gas interests in Western Canada and allowed us to make vital new contacts as we pursue our plans to eventually become an operator," said Michael Judson, President Chief and Executive Officer of Forest Gate. "Reducing our capital commitments

to 10% now makes it less demanding in meeting our obligations, as we continue with our partner to develop the properties. And with the newly acquired sections, Forest Gate remains poised to achieve its target goals of production over the next eighteen months."

IRVING COMPLETES ACQUISITION OF MAINE MARINE TERMINAL

Irving Oil announced today that it has acquired a petroleum product marine terminal in South Portland, Maine through a joint venture with an affiliate of Buckeye Partners, L.P. Under the terms of this arrangement, Irving Oil will have a majority of the approximately 725,000 barrels of storage capacity at the South Portland terminal, as well as long-term marketing rights at Buckeye's Bangor, Maine terminal. "This acquisition complements our existing distribution facilities in the State of Maine and positions our Company to more efficiently meet the ever-changing needs of our present and future customers," said Mike

Ashar, President, Irving Oil. "The deal also underscores our commitment to the energy security and economy of Maine."

EMERALD BAY SELLS TEXAS LEASES

Calgary's Emerald Bay Energy Inc. has announced that it has sold a 50% interest in certain oil and gas leases situated in Bexar, Atascosa and Medina Counties, Texas to Hillcrest Investments Ltd., a company controlled by Clarence Wagenaar. Clarence Wagenaar controls, directly or indirectly, 11.67% of the common shares of the Corporation. The total consideration received by the Corporation for this disposition was USD\$300,000, based upon the Corporation's independent geological evaluation report dated April 8, 2011. This report estimated that 100% of the assets, as of January 1, 2011, had a present worth of future net revenue, discounted at 9%, at \$494,620. Completion of this transaction is subject to the approval of the TSX Venture Exchange. "Selling a

MECHANICS NEEDED

CALGARY METAL is seeking journeyman/apprentice mechanics in our Maintenance Department Equipment service and repairs for on and off highway, as well as general repairs.

Send your resume to:
employment@calgarymetal.com
or fax to 403-262-1114

WE NEED QUALIFIED PROFESSIONAL TEAM PLAYERS

OUR TEAM REQUIRES IMMEDIATELY
THE FOLLOWING CONTRACT PERSONS:

- Project Managers
- Field Engineers and CET's All Disciplines
- Contract, Accounting, Admin, Support Staff
- Schedulers, Document Control
- QAQC Supervisors & Inspectors All Disciplines
- Construction Supervisors & Inspectors All Disciplines
- Master Electricians, Civil Supervisors, Civil CET's
- Environmental Managers and Inspectors
- Shop Inspectors All Disciplines

WE NEED EARTHWORK CIVIL SUPERVISORS.

If you are a Civil, Dirt, Road or Lease Construction Supervisor,
You Need to:

SUBMIT YOUR RESUME TO
FAX: 403-770-8570

E-MAIL: SAGD-resumes@shaw.ca

Our Staff are aware of this advertisement

RENT TO OWN

(780) 447 - R7E3N6T8

EDMONTON

1 & 2 Bedroom Condominiums
2 & 3 Bedroom Houses



MOBILE TREATMENT CENTER

- Quality emergency care and off-road transportation
- Slides into any full-size pickup truck
- CMVSS & Transport Canada Compliant
- Reinforced fiberglass construction
- Two-patient capacity
- Insulated & heated



UTILITY & ADVENTURE

- Available for all full or mid-size trucks
- 4.5 - 6 ft interior height
- Short or long box
- Many options available
- Customize to individual requirements
- Durable marine grade construction



CLIMATE CONTROL

- Mobile cold storage
- A/C or heater available
- Completely insulated (R12)
- Large payload capacity
- Durable construction
- Fits all full-size pick-up trucks

Visit our website for more information
www.horizoncanada.net

HORIZON 1-877-467-5149
ENTERPRISES INC. 780-467-5149

170 Valley Point South, 22555 TWP RD 530, Sherwood Park, AB T8A 4T7

Authorized dealer for:



TUFPORT
BY HORIZON
www.tufport.com

WESTERN CANADIAN MULCHING LTD.

PO Box 1755 PO Box 6945
 Fairview, AB Fort St John, B.C.,
 T0H 1L0 Y1J 4J3
 (780) 835-5073 (250) 785-4685

WHOLESALE DIAMOND

Replacement Experts
 Diamond Shippers
 1-800-798-7176

50% interest in these selected leases provides Emerald Bay with funds to reduce debt as well as the necessary capital to acquire additional lands and meet certain drilling obligations in the neighboring counties where Emerald Bay continues its oil development strategy in Texas" stated Shelby Beattie, President and CEO.

SHELL - CONOCOPHILLIPS GET DRAFT ALASKA AIR PERMITS

U.S. federal regulators said on Friday they issued draft air-quality permits to Royal Dutch Shell and ConocoPhillips, a key step for the oil companies' drilling plans in Arctic waters of Alaska. The permits cover Shell's plans to drill two wells annually in 2012 and 2013 on leases in the Beaufort Sea, off Alaska's northern coast, and ConocoPhillips' plans to drill a yet-to-be-determined number of wells in 2012 the Chukchi Sea, off Alaska's northwest coast. The draft permits are subject to a 45-day public comment period before being made final. Any final permits are also subject to potential administrative appeals. The U.S. Environmental Protection Agency (EPA) on July 1 issued a separate draft air-quality permit to Shell for a drill rig the

company intends to use starting next year in the Chukchi. That permit is a revised version of one that was struck down on Dec. 30 by EPA's Environmental Appeals Board. The appeals panel determined the old permit was inadequate and failed to incorporate updated limits for air pollution. Securing the draft air-quality permits for planned operations in both the Beaufort and Chukchi is an important milestone for Shell, a company spokesman said. "The issuance of a second draft air permit for our 2012 exploration program is another in a series of recent, positive developments and adds to our optimism that we will be drilling our offshore leases in Alaska by this time next year," Shell spokesman Curtis Smith said in an email. Shell had hoped to drill at least one well in the Beaufort this year, but dropped that plan after the EPA Appeals Board rejected the permit that had been issued last year by EPA's Seattle-based regional office. Shell now has new detailed exploration plans for both the Chukchi and Beaufort that are being reviewed by the U.S. Bureau of Ocean Energy Management, Regulation and Enforcement. Shell plans to drill up to 10 wells total in the open-water seasons of 2012 and 2013. The company spent \$2.1

LEVEL BEST



TECHNOLOGIES LTD.

www.levelbest.ca

Your BEST Source for Optimization

- Experts in Optimizing Your Bakken Wells
- CO₂ Optimization Specialists
 - Fluid Levels
 - Dynamometers
 - Foam Depression Test
- Acoustic BuildUps. Fall Off Tests

ph: 634-6001 cell: 461-4322

You can trust us with your wells to optimize your production and your profits.

BOX 560 GRIMSHAW T0H 1W0

(780) 332-4691



1-800-746-4691 Fax: 780-332-4308

HOULDER CONSTRUCTION

Jim Houlder
 SUPERINTENDENT

Res: 780-332-2389
 Cell: 780-618-9699

- Pipeline Construction
 Aluminum • Plastic • Steel
- General Contracting
- Oilfield Construction
- Well Site Preparation
- Trenching
 Waterline • Gas Line
 Telephone Line
- Pipeline Locating
- Quality Control
- Plastic Pipe Joining
- Seismic Line Cutting
- Picker Truck Service
- Oilfield Hauling

www.houlder.ca



BUY YOUR TROPICAL PARADISE!

64-Acre White Sandy Beach Tropical Paradise
 Roatan, Bay Islands, Honduras Rated #1 Islands Mag. "Best Place to Retire".
 Only large property on north-shore with its own deep water bay. Perfect for a private estate or world class resort. 90% roads in, power & water. Avg temps 75 to 85 year round. 2+hrs from Miami, Houston, New Orleans, 7-major cities fly direct Calgary, Toronto, 5-min from the Black Pearl-Pete Dye Golf Course, Duty Free Island, Pro-Business government.
 Our Loss is Your Gain. Bank Appraisal \$ 6,425,965 Asking price \$ 4,350,000
 Contact: US 971-340-8676 milagrobay@gmail.com

billion acquiring leases in the Chukchi in 2008 and about \$84 million acquiring leases in the Beaufort in 2005 and 2007. In both areas, Shell plans to explore prospects where oil was discovered in the past. ConocoPhillips, which also acquired exploration tracts in the Chukchi in the record \$2.66 billion 2008 lease sale, has not yet submitted an exploration plan to the BOEMRE, company spokeswoman Natalie Lowman said. "So the number of wells and exactly which rig we will use is undetermined right now," she said.

MULLEN GROUP Q2 RESULTS

Mullen Group Ltd. has reported its financial and operating results for the period ended June 30, 2011. Mullen Group generated record second quarter consolidated revenue and operating income of \$290.8 million and \$48.7 million, respectively. The consolidated revenue of \$290.8 million was an increase of \$76.3 million, or 35.6 percent, from the \$214.5 million generated in 2010, and was primarily driven by revenue gains at most operating entities, incremental revenue from acquisitions, and fuel surcharge revenue relating to higher diesel fuel

prices. Revenue gains were strongest in the Oilfield Services segment with most operating entities benefiting from improved industry conditions. Despite unusual wet weather conditions in southeastern Saskatchewan, overall drilling activity in western Canada improved in the current quarter as compared to the prior year, and activity related to oil sands development and infrastructure projects remained robust. In the Trucking/Logistics segment revenue grew primarily due to the incremental revenue generated from acquisitions; stronger demand for freight services related to capital investments in oil sands development, mining and infrastructure projects in western Canada; and to fuel surcharge revenue related to higher diesel fuel prices. Mullen Group's record operating income of \$48.7 million was an increase of \$15.6 million, or 47.1 percent, over the \$33.1 million generated in 2010. Operating income in the Oilfield Services segment accounted for \$10.5 million of the increase while the Trucking/Logistics segment added an additional \$4.2 million. Corporate office costs declined by \$0.9 million on a year over year basis.