NYMEX OIL: US$87.14
+$0.51
September delivery
NYMEX N. Gas: US$3.95
+$0.01 per MMBTU
August delivery

# Oilfield NEWS

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### TRANSCANADA SHUTS KEYSTONE FOR MAINTENANCE

TTransCanada Corp's Keystone pipeline will be shut until late this weekend as the company carries out scheduled maintenance, a spokesman said on Friday. Work on the 591,000 barrel per day line has been going on since Tuesday, part of a program to ensure safe operations following a series of spills in some the recently completed line's pumping stations. Volumes on the line have been cut by about 20 percent for July and August as the company completes the work, but Terry Cunha, a spokesman for TransCanada, said shipments will return to normal next month. The work " should all be concluded by the end of this month and then we should back up and running at normal levels for September," he said. The line carries Canadian crude from Hardisty, Alberta, to Wood River and Patoka, Illinois, and the Cushing, Oklahoma, storage hub.

### JAPEX SETS DATE FOR OIL SAND INVESTMENT DECISION

Japan Petroleum Exploration will make a final investment decision on its Hangingstone oil sand expansion project in Canada this autumn or winter after Canadian government approval expected this autumn, a company executive said on Friday. The company currently plans to complete the front-end engineering design (FEED) on the project, expected to cost around 60 billion yen ($760 million), in autumn or winter, delayed from its initial plan of by the end of June, Japex Executive Vice President Hiroshi Sato said. Japex, which is currently producing about 7,000 barrels per day of bitumen from the Hangingstone oil sands, is considering expanding output by an average 25,000 to 30,000 bpd. The Tokyo-based oil and gas developer last year asked for Canadian government approval to expand bitumen output from the project by up to 35,000 bpd and is expected to obtain the approval this autumn, Sato said. The company repeated that it expects to begin output in 2014 if it receives approval in the autumn. A Japex subsidiary owns a 75 percent stake in the project, while Nexen Inc has the rest.

### CVR INCREASING HEAVY CRUDE RUNS

CVR Energy Inc. increased the amount of heavy sour crude processed at its Kansas refinery in the second quarter this year to 21.2 percent of the total, nearly double that of a year ago, Chief Executive Jack Lipinski said on Thursday. "That's up from 17.2 percent in the first quarter and also up from about 12 percent a year ago," Lipinski told analysts on the company's second-quarter earnings conference call, adding that the current level is the maximum amount of heavy sour crude the refinery can run. The CEO said the company set a record of processing 24,600 barrels per day of heavy sour Western Canadian Select crude at the 115,700 bpd refinery in Coffeyville, Kansas. He said the WCS discount to West Texas Intermediate, the U.S benchmark, surpassed $17 during the quarter. And as a Midwest refiner, CVR already benefits from WTI's deep discount to ICE Brent CL-LCO1=R and other global crudes. "While this is not a barn-burning discount, we continue to maximize our runs of heavy-sour crudes so long as these differentials continue," Lipinski said. Brent's premium to WTI CL-LCO1=R has surged for months with increasing inventories at the landlocked U.S. crude contract delivery point in Cushing, Oklahoma and lack of pipeline infrastructure to bring that oil to the refinery-heavy U.S. Gulf Coast. Several proposals to open that route with new or reversed pipelines are on tap, but Lipinski said the discount could be prolonged despite such efforts as U.S. onshore oil production keeps rising. "I really believe that we can see prolonged or even higher spreads, just simply because (U.S.) crude is near $100 a barrel. There are new technologies. You're doing to see shale oils, you're going to see conventional drilling, you're going to see everything increase," he said.

### ENSIGN ENERGY SERVICES Q2 RESULTS

Ensign Energy Services Inc. recorded revenue of $334.4 million in the three months ended June 30, 2011, an increase of 30 percent from revenue of $257.6 million recorded in the second quarter of the prior year. The Company recorded revenue of $836.7 million for the six months ended June 30, 2011, a 37 percent increase from revenue of $610.4 million for the six months ended June 30, 2010. EBITDA (defined as earnings before interest, taxes, depreciation, amortization, and share-based compensation expense) totaled $65.1 million ($0.43 per common share) in the second quarter of 2011, 38 percent higher than EBITDA of $47.2 million ($0.31 per common share) in the second quarter of 2010. EBITDA for the six months ended June 30, 2011 totaled $235.4 million ($1.54 per common share), an increase of 67 percent from EBITDA of $140.9 million ($0.92 per common share) recorded in the first six months of 2010. Adjusted net income (defined as net income before share-based compensation expense tax-effected using an income tax rate of 35%) totaled $18.9 million ($0.12 per common share) in the second quarter of 2011, 89 percent higher than Adjusted net income of $10.0 million ($0.07 per common share) in the second quarter of 2010. Adjusted net income for the six months ended June 30, 2011 totaled $106.6 million ($0.70 per common share), an increase of 119 percent from Adjusted net income of $48.6 million ($0.32 per common share) recorded in the first six months of 2010. Net income for the second quarter of 2011 increased slightly over the comparable prior year period to $16.1 million ($0.11 per common share) compared to net income of $16.0 million ($0.10 per common share) for the second quarter of 2010. Net income for the six months ended June 30, 2011 totaled $95.8 million ($0.63 per common share), an increase of 75 percent from net income of $54.8 million ($0.36 per common share) recorded in the first six months of 2010. Funds from operations increased 44 percent to $66.4 million ($0.43 per common share) in the second quarter of 2011 from $46.0 million ($0.30 per common share) in the second quarter of the prior year. Funds from operations for the first six months of 2011 increased 66 percent to $220.9 million ($1.44 per common share) from $132.8 million ($0.87 per common share) recorded in the same period in 2010. Increased demand for oilfield services in the second quarter and first half of 2011 compared to similar periods in the prior year resulted in improved operating and financial results from the Company's Canadian and United States operations. This was in spite of the "spring break up" and wet weather setbacks experienced by the Company's Canadian segment during the second quarter of 2011. The Company's international financial contributions in the first half of 2011 also improved slightly from the prior year despite the negative translational impact from a weakening United States dollar. Working capital at June 30, 2011 was $83.1 million compared to $84.5 million at December 31, 2010. A continuing focus on maintaining strong liquidity and selective use of debt, combined with improved levels of funds generated from operations, helps to support the Company's growth initiatives, including the new build program, which upon completion will deliver an additional 19 new state-of-the-art drilling rigs and 12 well servicing rigs over the next 12 to 15 months.

### SUPERIOR PLUS Q2 RESULT

Superior Plus Corp reported a quarterly profit, helped by better performance at its energy services segment. In the second quarter, Superior Plus, whose services span from energy to specialty chemicals, earned C$1.1 million, or 1 Canadian cent per share, compared with a loss of C$5.1 million, or 5 Canadian cents per share, a year ago. Revenue rose 14 percent to C$898.4 million, helped by higher revenue from its energy services segment.

Adjusted operating cash flow for the quarter rose 50 percent to 18 Canadian cents per share. The Canadian propane business generated gross profit of $45.6 million in the second quarter compared to $43.9 million in the prior year quarter. Canadian propane distribution sales volumes were 11 million litres or 4% greater than the prior year quarter, with increases in all lines of business except for automotive. Increases came from higher industrial volumes as a result of strong oil field volumes, improvements in the economic environment and the impact of colder weather. Residential and commercial volumes were higher than the prior year due to the impact of weather and ongoing sales and marketing initiatives.

### ENERPLUS Q2 RESULTS

Enerplus Corporation has announce operating and financial results for the three months ended June 30, 2011. Highlights for the quarter include: The sale approximately 45% of our Marcellus acreage position in Pennsylvania, Maryland and West Virginia, including 24.5 Bcfe of proved plus probable reserves for approximately $568 million, capturing a pre-tax gain of $272 million. Proceeds from the sale were used to reduce our outstanding bank debt, leaving our $1 billion credit facility virtually undrawn at the end of the quarter. Subsequent to the sale, Enerplus retained a significant land position in the Marcellus that is more balanced consisting of 110,000 net acres, 60% of which is operated. Their non-operated Marcellus position includes approximately 45,000 net acres concentrated in the prolific Northeast area of Pennsylvania whereas our 65,000 net operated acres are located in West Virginia and Maryland. The independent best estimate of contingent resources associated with our remaining leases is 2.3 Tcfe and 92 Bcfe of proved plus probable natural gas reserves as of December 31, 2010. Enerplus continued to add to our undeveloped land inventory in emerging resource plays in Canada this year. Year-to-date the company has acquired approximately 38,000 net acres in the liquids-rich Duvernay shale play and 14,000 net acres in two emerging Canadian oil prospects. It has also added over 9,000 net acres of Montney prospective lands in the Cameron area of British Columbia, bringing its total Montney undeveloped land position to approximately 28,000 net acres. In total, Enerplus has invested approximately $75 million in undeveloped land to the end of July 2011. During the quarter, daily production averaged 75,383 BOE/day despite challenges relating to wet weather in key producing regions and was virtually unchanged compared to the first quarter of 2011. The company generated funds flow of $132.4 million ($0.74/share) during the quarter. Their funds flow does not reflect the gain of $272 million from the Marcellus asset sale; however it does reflect a $43 million U.S. tax expense resulting from the sale of those assets. Funds flow was $0.98 per share if adjusted for the impact of the tax expense. Enerplus invested approximately $145 million in our assets during the quarter, drilling 14.1 net wells. Approximately 60% of our capital was directed toward oil projects, primarily in the Bakken and 33% invested in the Marcellus. Operating costs of $9.84/BOE and G&A costs of $3.64/BOE during the quarter were marginally higher than anticipated mainly due to lower production. Enerplus has adjusted their capital spending guidance for 2011 from $650 million to $770 million due to an increase in drilling activity in both our operated and non-operated acreage and as a result of cost increases. They expect to drill more wells in the Marcellus where activity is focused on the highly economic northeast area of Pennsylvania, in the liquids rich Deep Basin region and also in their oil properties in Canada. Approximately 85% of our total spending remains focused in our Bakken, Marcellus and waterflood assets. Approximately $60 million of the increase in capital spending for 2011 is attributed to transitory cost increases due to the wet weather, some cost overruns on a few delineation projects, as well as inflationary cost increases for some services in Canada. Delays in production and capital spending due to the weather during the quarter reduced expectations for annual average production by 800 BOE/day. Enerplus also sold 900 BOE/day of annual average production and 3,800 BOE/day of exit 2011 production due to the Marcellus sale. As a result, they are adjusting their 2011 annual average production guidance down by 2,000 BOE/day to 76,000 to 78,000 BOE/day.

**975 Lake Placid Drive,** CALGARY AB

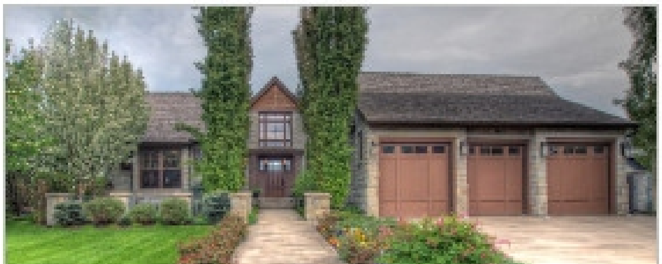
Lake front estate home in Lake Bonaventure. This home offers over 4,000 sq. ft. of living space with hardwood floors, renovated kitchen, triple garage.

**$2,349,000**

**303 Willow Ridge Place,** CALGARY AB

Completely renovated estate home backing onto willow park golf and country club. Park like setting.
This home is new inside and out.

**$1,195,000**



**223 Lake Placid Green,** CALGARY AB

Absolutely amazing, one of a kind, Waterford built, 4 bedroom bungalow with triple attached garage right on Lake Bonaventure.

**$4,780.000**

**108 9 Ave SW,** CALGARY AB

Welcome to Le Germain Residence,
Calgary's premier condo building.

**$850,000 to 2,000,00**

**700 Silver Tip Heights,** CANMORE AB

Offering an Alpine feeling inside & out. Unique location backing onto Silvertip Golf Course.
Amazing corporate retreat or family get away. Extensive log work through-out.
3625 Sq. Ft. 3 years old.

**$1,890,000**



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