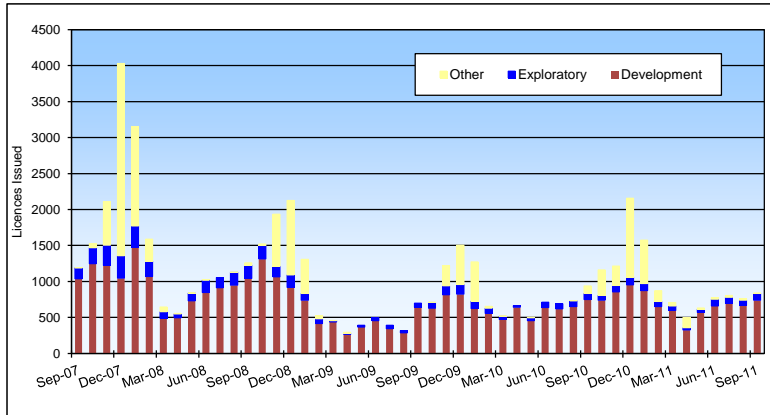


October 2011 Industry Activity Report

Monthly Well Licences



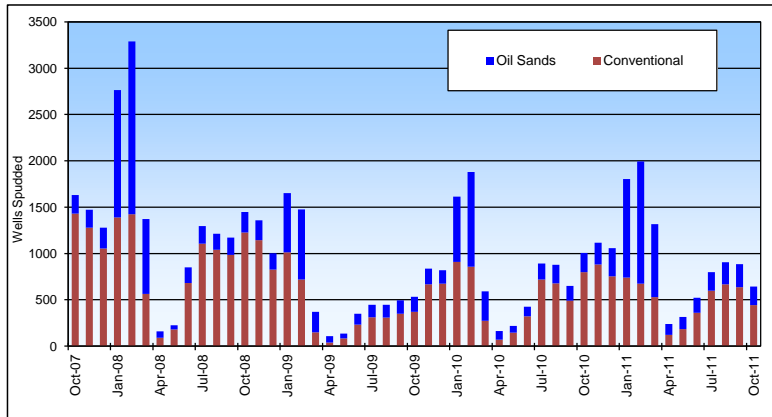
In September, 840 wells were licenced in Alberta, 11% lower than last September's count of 939.

New licence approvals for the first eight months of 2011 are 12% higher than the first eight months of 2010.

2011	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Development	874	649	599	326	569	660	695	667	738				5777
Exploration	99	73	63	32	45	91	84	73	97				657
NPW	34	24	32	8	12	27	35	32	36				240
NFW	5	1		1		2	1	2	3				15
DPT	10	17	11	7	5	23	25	14	22				134
Outpost	50	31	20	16	28	39	23	25	36				268
Exper. & Eval. Licences	604	150	45	143	18	26	27	22	5				1040
Total	1577	872	707	501	632	777	806	762	840				7474

Source: Alberta Energy Resources Conservation Board

Alberta Wells Spudded



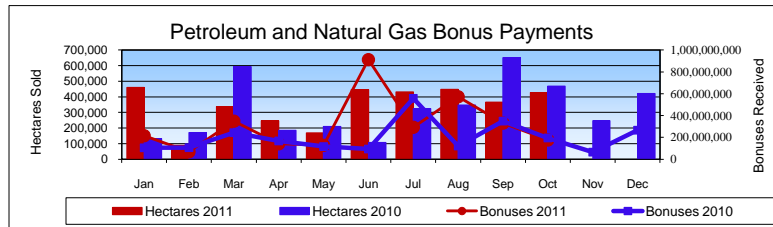
There were 644 spuds in October, 36% lower than the 1,006 spuds in October 2010.

The number of spuds to the end of October was 9,419, up 13% from this period last year.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
2007	Conventional	1814	1416	589	89	273	718	1548	1164	1061	1431	1277	1053	12,433
	Oil Sands	1268	1437	895	75	73	160	226	212	171	201	196	225	5,139
2008	Conventional	1390	1422	563	91	181	682	1106	1040	986	1228	1144	825	10,658
	Oil Sands	1373	1867	809	69	44	168	190	174	184	218	213	176	5,485
2009	Conventional	1011	719	150	39	83	232	311	307	348	370	666	674	4,910
	Oil Sands	639	756	218	68	52	116	134	137	146	161	169	146	2,742
2010	Conventional	910	856	273	69	144	322	717	677	489	797	880	754	6,888
	Oil Sands	705	1022	319	94	72	104	175	199	161	209	235	305	3,600
2011	Conventional	739	675	527	120	183	358	598	666	635	443			4,944
	Oil Sands	1066	1317	790	120	130	164	199	239	249	201			4,475

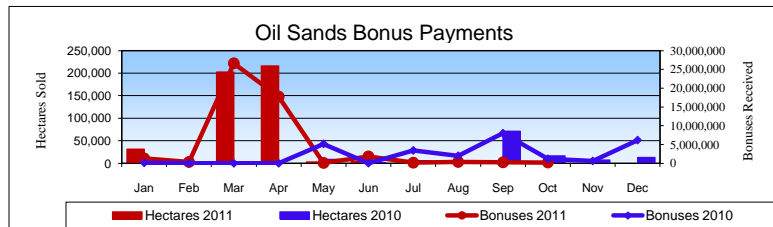
Source: Alberta Energy Resources Conservation Board

Petroleum & Natural Gas & Oil Sands Land Sales



October land sales totalled \$177 million with an average price of \$414.14/hectare.

After 20 land sales in 2011, the \$3.2 billion collected (\$832.79/hectare), increased 56% from this period in 2010 when total revenue was \$2.1 billion (\$629.57/hectare).

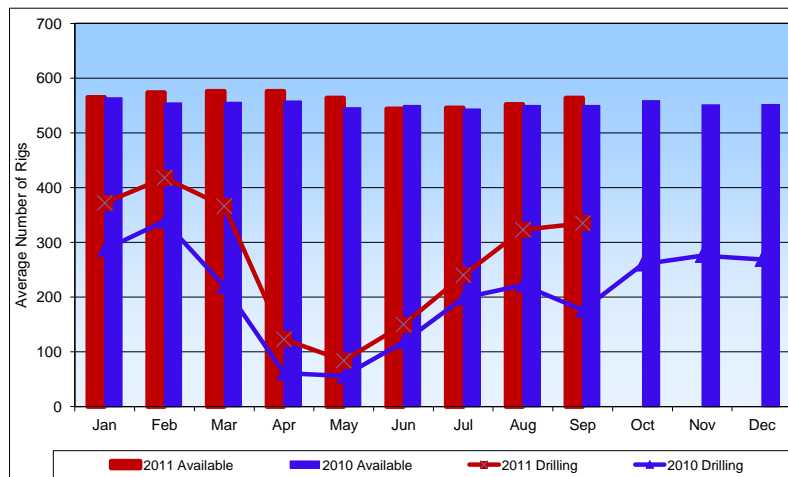


Petroleum and Natural Gas Rights	Oct-11	Oct-10	YTD 2011	YTD 2010
Bonuses	\$176,664,384.17	\$195,017,902.77	\$3,186,396,666.16	\$2,056,399,136.30
Hectares	426533.84	468085.43	3416711.87	3187720.69
Average Price per Hectare (Cdn\$)	\$414.19	\$416.63	\$932.59	\$645.10

Oil Sands Rights	Oct-11	Oct-10	YTD 2011	YTD 2010
Bonuses	\$221,399.00	\$1,206,995.84	\$48,986,069.45	\$19,980,008.72
Hectares	583.60	16128.00	468270.65	110354.00
Average Price per Hectare (Cdn\$)	\$379.37	\$74.84	\$104.61	\$181.05

Source: Alberta Department Energy

Alberta Rig Activity



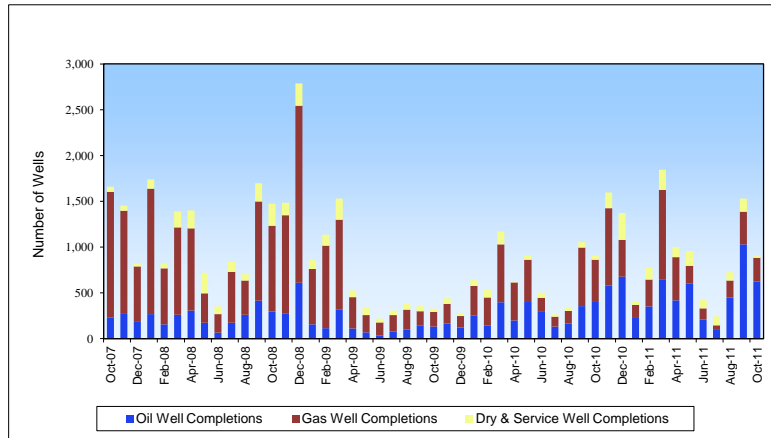
In October, Alberta utilized 59% of the 564 available rigs. October 2010 saw 47% of the 559 available rigs working.

With about 562 rigs available, the average fleet utilization for the 10-month period was 49%. For this period in 2010, an average of 553 rigs were available for drilling with 35% of them at work.

October	Drilling	Down	Available	Rig Util. Oct-11	Rig Util. Oct-10
Alberta	335	229	564	59%	47%
Saskatchewan	91	51	142	64%	61%
British Columbia	47	30	77	61%	46%
Northwest Territories					
Manitoba	18	3	21	86%	74%
Canada	491	313	804	61%	49%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Well completions in October totalled 904, comparable to last October when there were 909 completions reported.

So far, reported completions total 8,835, up from the 6,955 completions reported last year. To-date, oil completions are up 70% from 2010 while gas completions are down 16%.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
2007	Oil Wells	357	263	291	263	116	229	123	271	285	234	281	191	2,904
	Gas Wells	1429	1242	1250	899	389	436	635	549	789	1369	1117	599	10,703
	Dry & Service	67	113	184	109	34	33	41	86	53	56	56	32	864
2008	Oil Wells	270	158	263	309	174	68	176	262	414	297	272	613	3,276
	Gas Wells	1370	610	952	897	322	202	554	372	1084	937	1075	1929	10,304
	Dry & Service	99	54	175	196	223	83	111	70	200	241	136	247	1,835
2009	Oil Wells	156	116	321	111	71	36	79	101	146	132	169	121	1,559
	Gas Wells	606	899	979	342	187	143	178	217	155	160	212	127	4,205
	Dry & Service	96	120	230	73	81	42	49	61	54	35	63	35	939
2010	Oil Wells	253	144	397	198	400	295	131	168	357	402	579	676	4,000
	Gas Wells	324	308	632	418	462	153	110	135	638	461	847	403	4,891
	Dry & Service	62	79	141	6	51	56	26	43	59	46	169	294	1,032
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626			4,671
	Gas Wells	145	294	974	472	196	124	43	183	356	259			3,046
	Dry & Service	42	127	222	112	160	100	97	94	145	19			1,118

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com