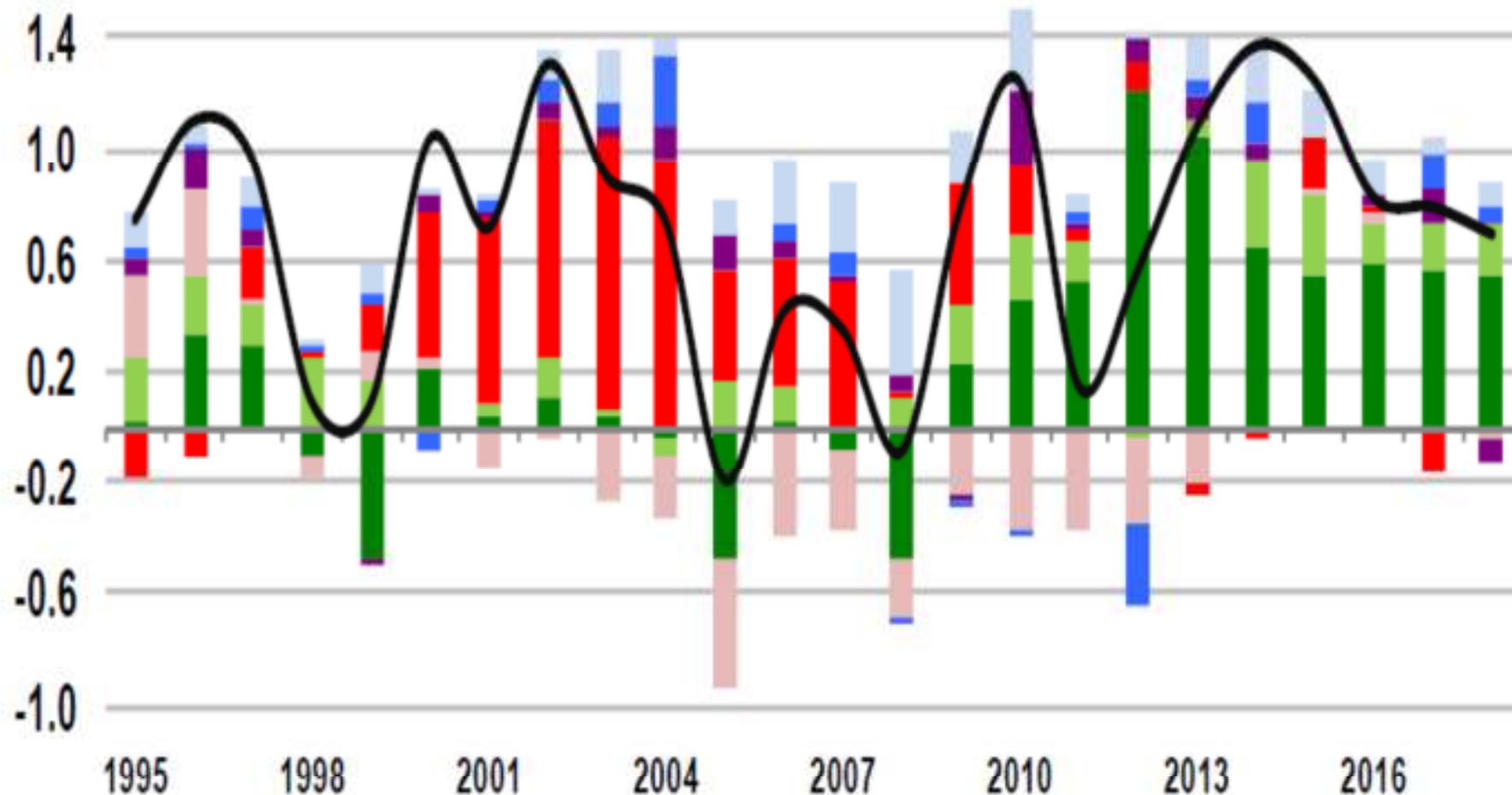


Non-OPEC Supply - Yearly Change

mb/d



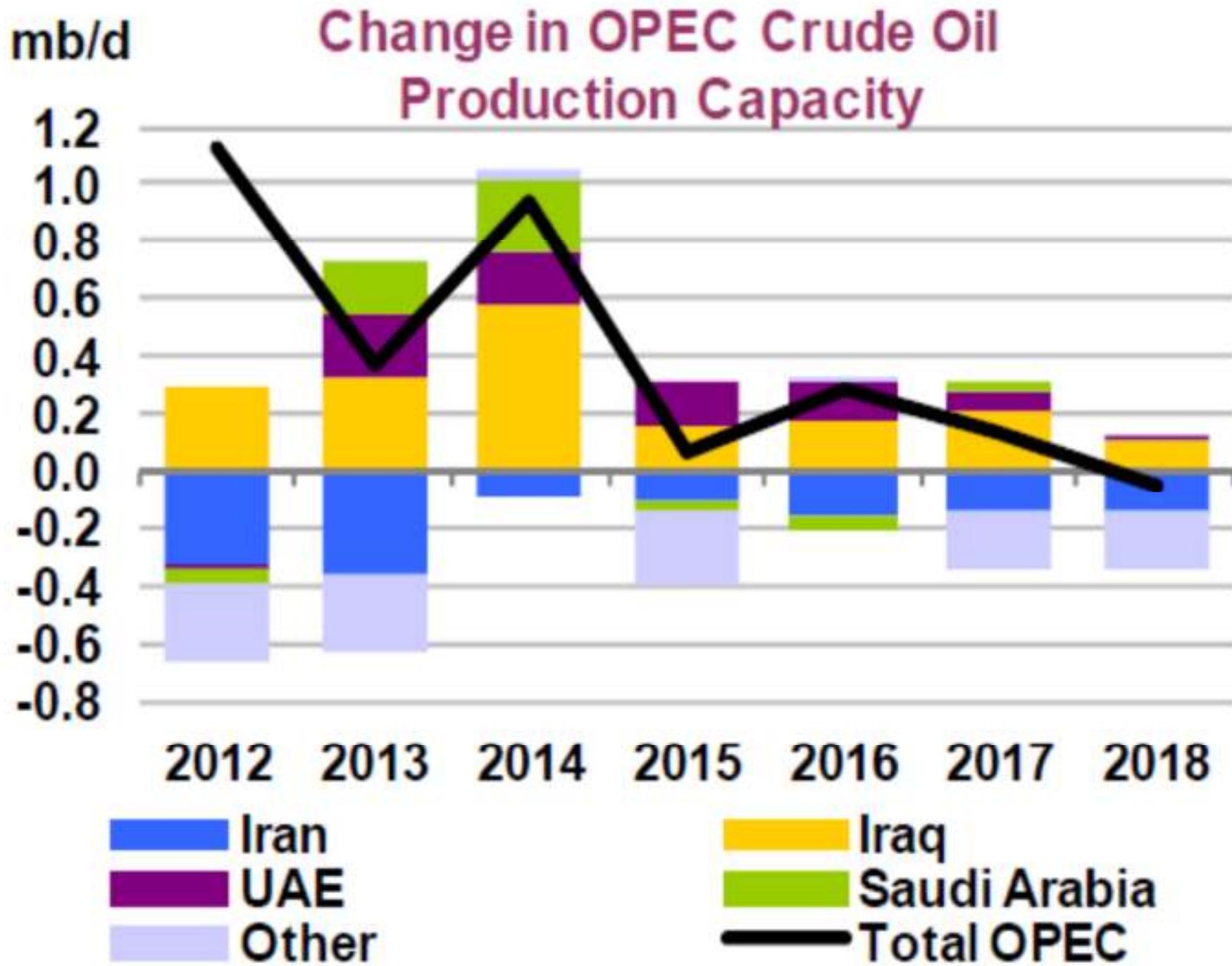




Figure 1. Mexico's sedimentary basins having petroleum systems.

Natural Gas Overview: World LNG Estimated November 2013 Landed Prices

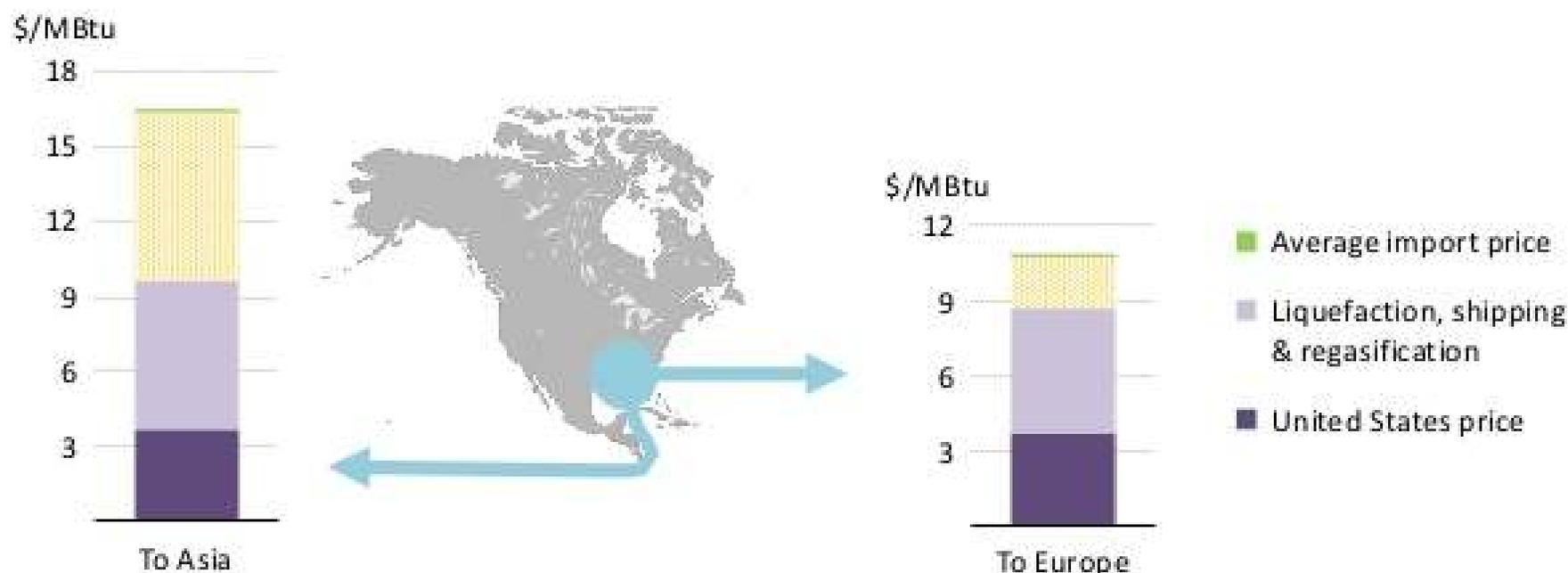


Data in \$/US MMBtu

LNG from the United States can shake up gas markets

WORLD
ENERGY
OUTLOOK
2013

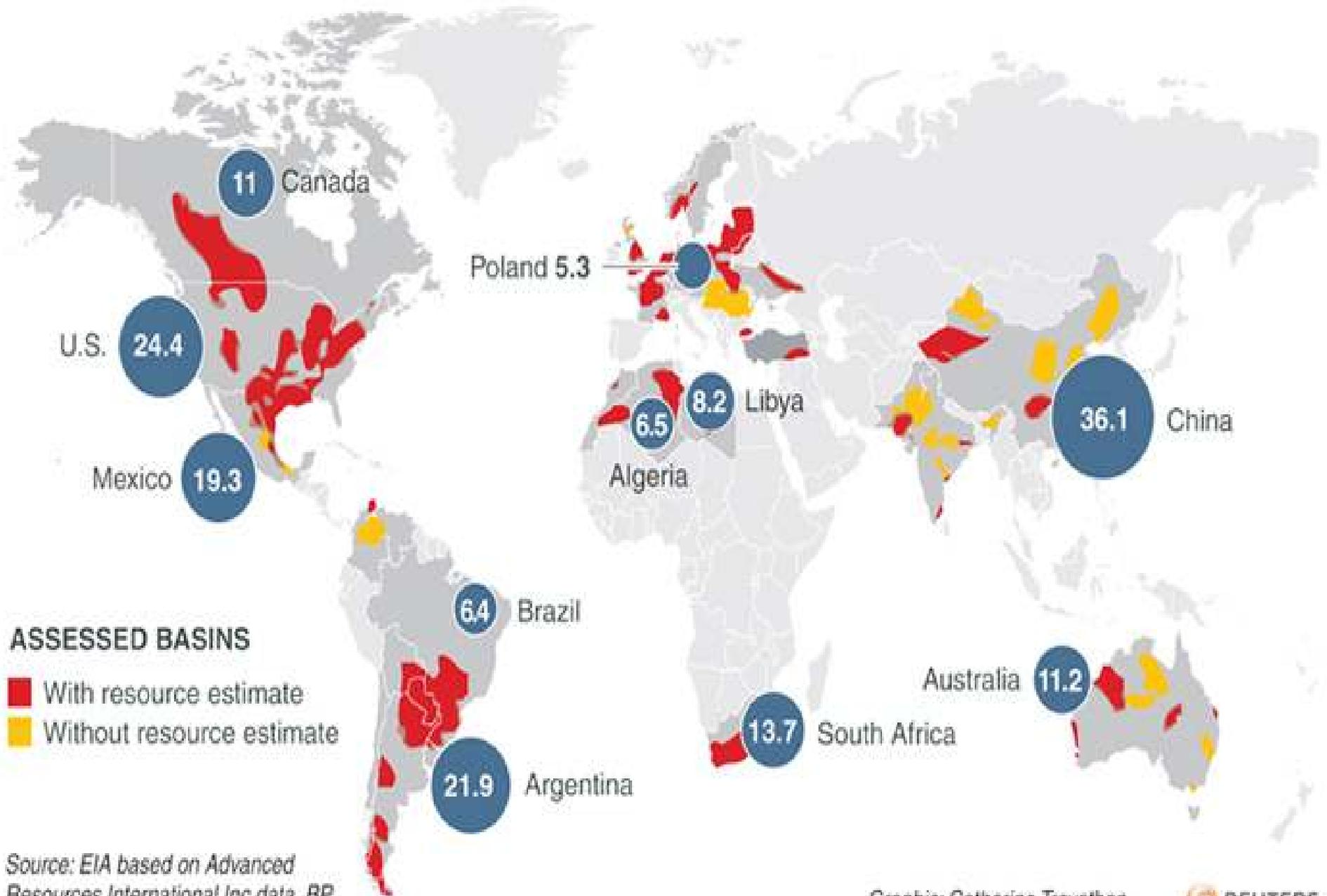
Indicative economics of LNG export from the US Gulf Coast (at current prices)



New LNG supplies accelerate movement towards a more interconnected global market, but high costs of transport between regions mean no single global gas price

GLOBAL SHALE GAS BASINS

● Top reserve holders 200 - In trillion cubic metres



Source: EIA based on Advanced Resources International Inc data, BP

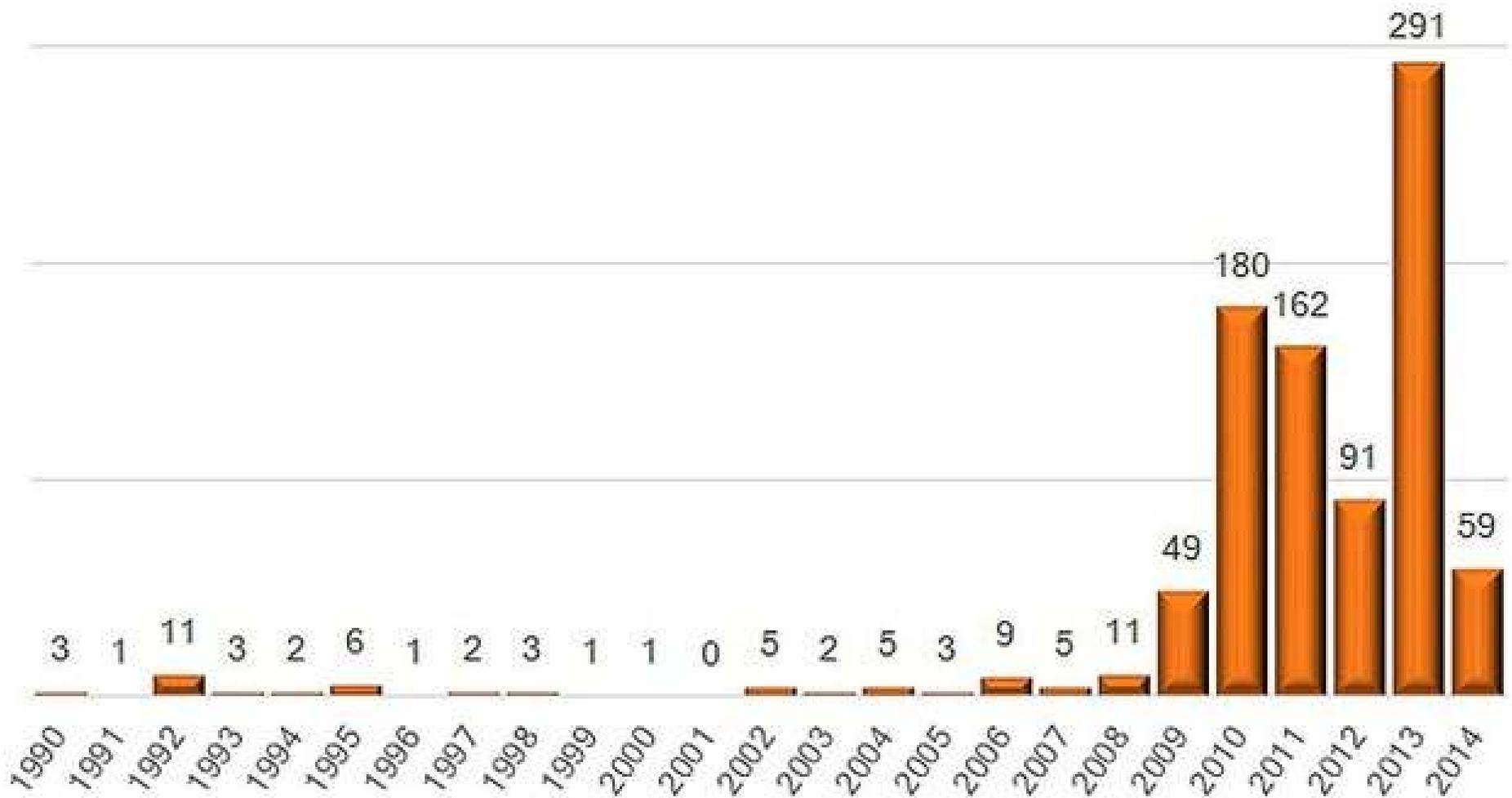
Graphic: Catherine Trevethan

REUTERS

Political Unrest: The Superpowers Square Off



Earthquakes, Oklahoma, 1990-2014



How Will This Affect Alberta?

- Production costs are high
- Natural gas prices are up
- Transportation costs are high
- Canadian dollar is down
- US will be awash in increased domestic oil & gas production and increasing Mexican supply
- US will be a major competitor in foreign LNG sales and eventually oil exports