RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS
1200, 530 - 8TH AVENUE S.W. CALGARY, ALBERTA T2P 3S8
FAX (403) 262-2790
TELEPHONE (403) 262-2799

February 25, 2005

The Board of Directors
Bow Valley Energy Ltd.
1200, 333 – 7th Avenue S.W.
Calgary, Alberta
T2P 2Z1

Re: **Form 51-101F2 Report on Reserves Data by Independent Qualified Reserves Evaluator**

1. We have evaluated Bow Valley Energy Ltd.'s (the Company's) reserves as at December 31, 2004. The reserves data consist of the following:

   a) (i) proved and proved plus probable oil and gas reserves estimated as at December 31, 2004 using forecast prices and costs; and

   (ii) the related estimated future net revenue; and

   b) (i) proved oil and gas reserves estimated as at December 31, 2004 using constant prices and costs; and

   (ii) the related estimated future net revenue.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

   We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

1100 LOUISIANA SUITE 3800 HOUSTON, TEXAS 77002-5218 TELEPHONE (713) 651-9191 FAX (713) 651-0849
621 17TH STREET SUITE 1550 DENVER, COLORADO 80293 TELEPHONE (303) 623-9147 FAX (303) 623-4258

PETROLEUM APA ENGINEERING

Suite 1400, 800 – Fifth Avenue S.W.
Calgary, Alberta, Canada T2P 3T6
Tel.: 403.265.7226 ♦ Fax: 403.269.3175

February 25, 2005

The Board of Directors,
Bow Valley Energy Ltd.
1205, 333 – 7 Avenue S.W.
Calgary, Alberta
T2P 2Z1

Subject: Form 51-101F2, Report on Reserves Data

1. We have evaluated the reserves data of Bow Valley Energy Ltd. (the "Company") as at December 31, 2004. The reserves data consist of the following:

   (a) (i) Proved and Proved plus Probable oil and gas and gas liquids reserves estimated as at December 31, 2004 using forecast prices and costs; and

   (ii) the related estimated future net revenue; and

   (b) (i) proved oil and gas reserves estimated as at December 31, 2004 using constant prices and costs; and
   (ii) the related estimated future net revenue.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated by us for the year ended December 31, 2004, and identifies the respective portions thereof that we have evaluated and reported on to the Company's management and board of directors:

FORM 51-101F3

REPORT OF
MANAGEMENT AND DIRECTORS
ON OIL AND GAS DISCLOSURE

BOW VALLEY ENERGY LTD.

Management of Bow Valley Energy Ltd. (the "Company") are responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which consist of the following:

(a) (i) proved and proved plus probable oil and gas reserves estimated as at December 31, 2004 using forecast prices and costs; and

(ii) the related estimated future net revenue; and

(b) (i) proved oil and gas reserves estimated as at December 31, 2004 using constant prices and costs; and

(ii) the related estimated future net revenue.

Independent qualified reserves evaluators have evaluated the Company's reserves data. The reports of the independent qualified reserves evaluators will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Company has:

(a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluators;

(b) met with the independent qualified reserves evaluators to determine whether any restrictions affected the ability of the independent qualified reserves evaluators to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluators.

The Reserves Committee of the board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved:

(a) the content and filing with securities regulatory authorities of the reserves data and other oil and gas information:

(b) the filing of the report of the independent qualified reserves evaluators on the reserves data; and

(c) the content and filing of this report.

Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

Robert G. Moffat,
President & CEO

David A. Fleming. P.Eng.
Vice President, International

John W. Essex, P. Eng.
Vice President, Operations

Kenneth R. Stiles, Director

Henry R. Lawrie, Director

February 25, 2005

Independent Qualified Reserves Evaluator	Description of Evaluation Report	Preparation Date of Evaluation Report	Location of Reserves	Net Present Value of Future Net Revenue[(1)] Before Income Taxes Proved + Probable Reserves Million Canadian Dollars, 10% discount rate		
				Audited	Evaluated	Reviewed
APA Petroleum Engineering Inc.	"Reserves Evaluation North Sea Assets of Bow Valley Energy Limited, as of December 31, 2004 "	February 25, 2005	United Kingdom North Sea	$ n/a-	$ 118.0	$ n/a

(1) Future net revenue as defined by "Companion Policy 51-101CP, Standards of Disclosure for Oil and Gas Activities, Appendix 1"

5. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook.

6. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.

7. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

APA Petroleum Engineering Inc,

Brian D. Weatherill, P.Eng.

4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated by us for the year ended December 31, 2004, and reported on to the Company's management:

Independent Qualified Reserves Evaluator	Description and Preparation Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate) (Cdn 000"s)
Ryder-Scott Company	Estimates of Reserves and Future Income from Certain Leasehold and Royalty Interests of Bow Valley Energy Ltd. February 25, 2005	Canada	$59,721

5. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook.

6. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.

7. Because the reserves are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

Ryder Scott Company-Canada, Calgary, Alberta, Canada

Signed by: ______________________
Howard Lam, P.Eng.

Title: Vice President, Engineering