FORM 51 – 101 F1

THE BUFFALO OIL CORPORATION
STATEMENT OF OIL AND GAS INFORMATION

Statements in this document may contain forward-looking information. Estimates provided for 2005 and beyond are based on assumptions of future events and actual results could vary significantly from these estimates. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of The Buffalo Oil Corporation. The reader is cautioned not to place undue reliance on this forward-looking information.

Part 1 Relevant Dates

Item 1.1 Date of Statement and Statement Information

This Statement of Reserves Data and Other Oil and Gas Information (the "**Statement**") is dated March 30, 2005. The effective date of the information provided in the Statement is December 31, 2004 unless otherwise indicated. The information was prepared between January 01, 2005 and March 30, 2005.

Part 2 Disclosure of Reserves Data

Paddock Lindstrom & Associates Ltd. ("**PLA**") has prepared a report dated March 30, 2005 (the "PLA Report"), in which it has evaluated as at December 31, 2004 the oil and natural gas reserves attributable to the principal properties of The Buffalo Oil Corporation ("Buffalo" or the "Corporation"). PLA has been evaluating the Corporation's reserves since December 31, 2002.

The PLA Report also presents the estimated net value of the revenue of Buffalo's properties, before and after taxes, at various discount rates. Assumptions and qualifications relating to costs, prices for future production and other matters are summarized in the notes to the following tables.

The extent and nature of all information supplied by Buffalo and/or the operator of its properties, which may have included ownership data, well information, geological information, reservoir studies, timing and future production, gas sales contract information, current product prices, operating cost data, capital budget forecasts and future operating plans, have been relied upon by PLA in preparing the PLA Report and were accepted as represented without independent verification. In the absence of such information, PLA relied, with the approval of Buffalo, upon its opinion of reasonable practice in the industry. All information provided to PLA was at December 31, 2004 and, accordingly, certain of such information may not be representative of current conditions.

The definitions of the various categories of reserves and expenditures are those set out in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

It should not be assumed that the present worth of estimated future net revenue represents the fair market value of the reserves. There is no assurance that the escalating price and cost assumptions contained in the PLA Report will be attained and variances could be material. The reserve and revenue estimates set forth below are estimates only and the actual reserves and realized revenue may be greater or less than those calculated.

Item 2.1 Oil and Gas Reserves Data – Constant Prices and Costs

The following table discloses, in the aggregate, the Corporation's gross and net proved reserves, estimated using constant prices and costs, by product type. "Constant prices and costs" means the prices and costs used by PLA in the PLA Report that are either the Corporation's prices or costs at the effective date of the estimate, held constant throughout the life of the properties to which the estimate applies, or fixed or currently determinable future prices or costs to which the Corporation is bound.

Summary of Oil and Gas Reserves
based on Constant Prices and Costs as at December 31, 2004
Effective December 31, 2004

	Light & Medium Crude Oil		Heavy Oil		Natural Gas		Natural Gas Liquids	
	Gross (MSTB)	Net (MSTB)	Gross (MSTB)	Net (MSTB)	Gross (Mmcf)	Net (Mmcf)	Gross (MSTB)	Net (MSTB)
Proved Developed Producing	162.9	139.8	0.0	0.0	1,365.9	1,246.5	14.9	13.0
Proved Developed Non Producing	0.0	0.0	0.0	0.0	62.7	157.5	0.5	0.4
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Proved	162.9	139.8	0.0	0.0	1,428.6	1,404.0	15.4	13.4
Probable Additional	62.1	54.6rr	3.5	2.8	428.3	429.1	4.6	4.1
Total Proved Plus Probable	225.0	194.4	3.5	2.8	1,856.9	1,833.1	20.0	17.5

The following table discloses, in the aggregate, the net present value of the Corporation's future net revenue attributable to the reserves categories in the previous table, estimated using constant prices and costs, before and after deducting future income tax expenses.

Summary of Net Present Value of Future Net Revenues
based on Constant Prices and Costs as at December 31, 2004
Effective December 31, 2004
(Discounted at % /year)

BEFORE INCOME TAXES

Reserve Category	**0%** ($000s)	**5%** ($000s)	**10%** ($000s)	**15%** ($000s)	**20%** ($000s)
Proved Developed Producing	10,072.0	8,379.6	7,212.5	6,364.8	5,722.9
Proved Developed Non Producing	855.2	700.9	595.2	518.9	461.4
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0
Total Proved	10,927.2	9,080.5	7,807.7	6,833.7	6,184.3
Probable Additional	3,521.8	2,261.8	1,583.2	1,179.1	918.3
Total Proved Plus Probable	14,449.0	11,342.3	9,390.9	8,062.8	7,102.6

AFTER INCOME TAXES

Reserve Category	**0%** ($000s)	**5%** ($000s)	**10%** ($000s)	**15%** ($000s)	**20%** ($000s)
Proved Developed Producing	8,458.9	7,033.4	6,057.5	5,352.5	4,820.7
Proved Developed Non Producing	550.4	446.2	375.1	324.1	285.9
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0
Total Proved	9,009.3	7,479.6	6,432.6	5,676.6	5,106.6
Probable Additional	2,351.2	1,486.2	1,027.3	756.8	583.3
Total Proved Plus Probable	11,360.5	8,965.8	7,459.9	6,433.4	5,689.9

The following table discloses, in the aggregate, the major elements of the Corporation's future net revenue, including ARTC, attributable to its total proved and total proved plus probable reserves, estimated using constant prices and costs, and calculated without discount.

Elements of Future Net Revenue based on Constant Prices and Costs
as at December 31, 2004 (undiscounted)
Effective December 31, 2004

Reserves Category	**Revenue** ($000s)	**Royalty** ($000s)	**Op Costs** ($000s)	**Devel Costs** ($000s)	**Abdmt Costs** ($000s)	**Future Net Revenue Before Income Tax** ($000s)	**Income Tax** ($000s)	**Future Net Revenue After Income Tax** ($000s)
Proved Reserves	19,086	2,807	4,880	80	392	10,927	1,918	9,009
Proved Plus Probable Reserves	25,375	3,660	6,623	244	399	14,449	3,088	11,361

The following table discloses, in the aggregate, the Corporation's future net revenue, including ARTC, by major production group, estimated using constant prices and costs, and calculated using a discount rate of 10%.

Future Net Revenue by Production Group based on Constant Prices and Costs as at December 31, 2004 (discounted at 10% / year) Effective December 1, 2004

	Future Before Income Tax (Discounted at 10% ($000s)
Total Proved	
Light and Medium Crude Oil (including solution gas)	2,698.4
Heavy Oil (including solution gas)	0.0
Natural Gas (associated and non associated)	5,096.0
Other Revenue	13.3
Total Proved	7,807.7
Total Proved Plus Probable Additional	
Light and Medium Crude Oil (including solution gas)	3,301.1
Heavy Oil (including solution gas)	(166.1)
Natural Gas (associated and non associated)	6,234.9
Other Revenue	21.0
Total Proved Plus Probable Additional	9,390.9

Item 2.2 Reserves Data – Forecast Prices and Costs

The following table discloses, in the aggregate, the Corporation's gross and net proved reserves, estimated using forecast prices and costs, by product type. "Forecast prices and costs" means future prices and costs used by PLA in the PLA Report that are generally accepted as being a reasonable outlook of the future, or fixed or currently determinable future prices or costs to which the Corporation is bound.

Summary of Oil and Gas Reserves based on Forecast Prices and Costs as at January 1, 2005 Effective December 31, 2004

	Light & Medium Crude Oil		Heavy Oil		Natural Gas		Natural Gas Liquids	
	Gross (MSTB)	Net (MSTB)	Gross (MSTB)	Net (MSTB)	Gross (Mmcf)	Net (Mmcf)	Gross (MSTB)	Net (MSTB)
Proved Developed Producing	162.9	140.0	18.0	14.8	1,365.9	1,239.2	14.9	13.0
Proved Developed Non Producing	0.0	0.0	0.0	0.0	62.7	157.2	0.6	0.4
Proved Undeveloped	0.0	0.0	101.8	81.2	0.0	0.0	0.0	0.0
Total Proved	162.9	140.0	119.8	96.0	1,428.6	1,396.4	15.5	13.4
Probable additional	62.1	54.7	55.4	46.4	428.6	427.7	4.5	4.1
Total Proved Plus Probable	225.0	194.7	175.2	142.4	1,857.2	1,824.1	20.0	17.5

This following table discloses, in the aggregate, the net present value of the Corporation's future net revenue attributable to the reserves categories in the previous table, estimated using forecast prices and costs, before and after deducting future income tax expenses, and calculated without discount and using discount rates of 5%, 10%, 15% and 20%.

Summary of Net Present Value of Future Net Revenues
based on Forecast Prices and Costs as at January 1, 2005
Effective December 31, 2004
(Discounted at % /year)

BEFORE INCOME TAXES

Reserve category	0% ($000s)	5% ($000s)	10% ($000s)	15% ($000s)	20% ($000s)
Proved Developed Producing	8,514.8	7,283.8	6,410.9	5,761.2	5,258.6
Proved Developed Non Producing	767.8	630.8	537.8	470.9	420.7
Proved Undeveloped	694.0	640.3	593.4	552.3	515.8
Total Proved	9,976.6	8,554.9	7,542.1	6,784.4	6,195.1
Probable Additional	3,252.7	2,271.2	1,704.4	1,347.7	1,106.1
Total Proved Plus Probable	13,229.3	10,826.1	9,246.5	8,132.1	7,301.2

AFTER INCOME TAXES

Reserve Category	0% ($000s)	5% ($000s)	10% ($000s)	15% ($000s)	20% ($000s)
Proved Developed Producing	7,415.5	6,305.1	5,526.9	4,953.5	4,513.6
Proved Developed Non Producing	500.5	404.0	339.4	293.7	259.8
Proved Undeveloped	438.9	395.7	359.2	327.8	300.5
Total Proved	8,354.9	7,104.8	6,225.5	5,575.0	5,073.9
Probable Additional	2,175.9	1,496.6	1,108.7	867.2	704.9
Total Proved Plus Probable	10,530.8	8,601.4	7,334.2	6,442.2	5,778.8

This following table discloses, in the aggregate, certain elements of the Corporation’s future net revenue, including ARTC, attributable to its proved reserves and its proved plus probable reserves, estimated using forecast prices and costs, and calculated without discount.

Elements of Future Net Revenue Based on Forecast Prices and Costs as at January 1, 2005 (undiscounted) Effective December 31, 2004

Reserves Category	Revenue ($000s)	Royalty ($000s)	Op Costs ($000s)	Dev Costs ($000s)	Abdmt Costs ($000s)	Future Net Revenue Before Income Tax ($000s)	Income Tax ($000s)	Future Net Revenue After Income Tax ($000s)
Proved Reserves	20,910	3,263	6,868	301	501	9,977	1,622	8,355
Proved Plus Probable Reserves	28,261	4,290	9,730	465	547	13,229	2,698	10,531

The following table discloses, in the aggregate, the Corporation's future net revenue, including ARTC, by major production group, estimated using forecast prices and costs, and calculated using a discount rate of 10%.

Future Net Revenue by Production Group based on Forecast Prices and Costs as at January 1, 2005 (discounted at 10% / year) Effective December 31, 2004

	Future Before Income Tax (Discounted at 10% ($000s)
Total Proved	
Light and Medium Crude Oil (including solution gas)	2,320.2
Heavy Oil (including solution gas)	713.7
Natural Gas (associated and non associated)	4,494.9
Other Revenue	13.3
Total Proved	7,542.1
Total Proved plus Probable Additional	
Light and Medium Crude Oil (including solution gas)	2,775.4
Heavy Oil (including solution gas)	974.3
Natural Gas (associated and non associated)	5,475.8
Other Revenue	21.0
Total Proved Plus Probable Additional	9,246.5

Part 3 Pricing Assumption

Item 3.1 Constant Prices used in Estimates

For purposes of preparing the reserves evaluation using constant prices and costs, PLA used December 2004 Posted Index Prices, as follows:

	Price
Natural Gas (AECO – C)	$6.78/MMBTU
Light Oil - 40°API	$48.07/Bbl
Heavy Oil - 25°API	$24.15/Bbl
Condensate	$48.94/Bbl
Propane	$29.40/Bbl
Butane	$37.34/Bbl

Item 3.2 Summary of Forecast Pricing, Inflation and Cost Assumptions

Crude Oil and Natural Gas Forecast Prices
(January 1, 2005)

Year	WTI Cushing Oklahoma ($US/Bbl)	Exchange Rate ($US/Cdn)	Edmt Ref Price ($Cdn/Bbl)	Oil Hardisty 25API ($Cdn/Bbl)	Heavy 12API ($Cdn/Bbl)	Condensate Ref price ($Cdn/Bbl)	Natural Gas Liquids Butane Ref Price ($Cdn/Bbl)	Natural Gas Liquids Propane Ref Price ($Cdn/Bbl)	Natural Gas Henry Hub ($US/MMBTU)	Natural Gas AECOC ($Cdn/MMBTU)
2005	42.00	0.820	50.22	36.72	30.72	50.22	37.16	30.13	6.30	6.78
2006	40.00	0.820	47.76	35.76	29.76	47.76	34.87	28.66	6.10	6.52
2007	37.50	0.820	44.69	34.69	28.69	44.69	32.18	26.81	5.90	6.26
2008	35.00	0.820	41.62	33.62	27.62	41.62	29.14	24.97	5.70	6.00
2009	33.00	0.820	39.16	31.00	25.00	39.16	27.41	23.50	5.50	5.73
2010	33.50	0.820	39.75	31.43	25.43	39.75	27.82	23.85	5.61	5.85
2011	34.00	0.820	40.34	31.85	25.85	40.34	28.24	24.20	5.72	5.96
2012	34.50	0.820	40.92	32.27	26.27	40.92	28.65	24.55	5.84	6.08
2013	35.00	0.820	41.51	32.68	26.68	41.51	29.06	24.91	5.95	6.21
2014	35.50	0.820	42.10	33.09	27.09	42.10	29.47	25.26	6.07	6.33
2015	36.00	0.820	42.68	33.49	27.49	42.68	29.88	25.61	6.19	6.46
2016	36.50	0.820	43.27	33.90	27.90	43.27	30.29	25.96	6.32	6.59
2017	37.00	0.820	43.85	34.29	28.29	43.85	30.70	26.31	6.44	6.72
2018	37.50	0.820	44.44	34.69	28.69	44.44	31.11	26.66	6.57	6.85
2019	38.00	0.820	45.02	35.07	29.07	45.02	31.52	27.01	6.70	6.99
2020	38.50	0.820	45.61	35.46	29.46	45.61	31.92	27.36	6.84	7.13
2021	39.00	0.820	46.19	35.84	29.84	46.19	32.33	27.71	6.98	7.27
2022	39.50	0.820	46.77	36.21	30.21	46.77	32.74	28.06	7.11	7.42

All costs escalated at 2% per year from 2005

Part 4 Reconciliation of Changes in Reserves and Future Net Revenue

The reconciliation of changes in total proved, probable and proved plus probable reserves from the previous year to the end of the current year based on forecast prices and costs is as follows:

Reconciliation of Corporation Net Reserves by Principal Product Type
Year ended December 31, 2004

Opening Balance: January 1, 2004 - Forecast Prices and Costs – PLA January 1, 2004 Prices
Closing Balance: December 31, 2004 - Forecast Prices and Costs – PLA January 1, 2005 Prices

	Light and Medium Oil			Heavy Oil			Associated and Non-Associated Gas		
	Proved Mstb	Probable Mstb	Proved + Probable Mstb	Proved Mstb	Probable Mstb	Proved + Probable Mstb	Proved Mmcf	Probable Mmcf	Proved + Probable Mmcf
Opening Balance	30.9	9.7	40.5	0.0	0.0	0.0	1,309.1	295.6	1,604.6
Extension	0.0	0.0	0.0	0.0	18.7	18.7	0.0	0.0	0.0
Improved Recovery	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Technical Revisions	0.8	(0.4)	0.4	0.0	0.0	0.0	89.8	(14.3)	75.6
Discoveries	7.3	1.8	9.2	98.0	27.7	125.7	162.8	65.2	228.0
Acquisitions	125.1	43.6	168.7	0.0	0.0	0.0	113.6	81.3	194.9
Dispositions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Economic Factors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Production	(24.1)	0.0	(24.1)	(2.0)	0.0	(2.0)	(278.9)	(0.1)	(279.0)
Closing balance	140.0	54.7	194.7	96.0	46.4	142.4	1,396.4	427.7	1,824.1

The reconciliation of changes in net present value of future revenue based on constant prices and costs attributable to proved reserves is as follows:

Reconciliation of Changes in Net Present Values of Future Net Revenue
Total Proved Reserves

Constant Prices and Costs – December 31, 2004 Posted Index Prices
Discounted at 10% Per Year

		Before Tax ($000s)	After Tax ($000s)
Estimated Future Net Revenue at Beginning of Year			
December 31, 2003 Corporate Evaluation (AFTER) Credits		4,374.4	3,405.0
Sales and Transfers of Oil and Gas Produced, Net of Production Costs and Royalties			
Predicted 2004 Net Cash Flow Undiscounted		(1,369.0)	(856.7)
Net Changes in Prices, Production Costs and Royalties Related to Future Production		905.0	905.0
Changes in Prices	1,193		
Changes in Royalty	(110)		
Change in Royalty Tax Credits	12		
Changes in Estimated Operating Costs	(195)		
Changes in Estimated Abandonment Costs	5		
Changes in Proc./Gath. & Plant Income	0		
Changes in Estimated Future Development Costs		0.0	0.0
Extensions and Improved Recovery		0.0	0.0
Discoveries		950.9	950.9
Acquisitions of Reserves		1,889.1	1,889.1
Dispositions of Reserves		0.0	0.0
Net Change Resulting from Revisions in Quantity Estimates		519.9	519.9
Accretion of Discount		437.4	340.5
Net Change in Income Tax		0.0	(770.0)
Timing and Miscellaneous Changes		99.9	48.9
Estimated Future Net Revenue at End of Year			
December 31, 2004 Corporate Evaluation (AFTER) Credits		7,807.7	6,432.6

Part 5 Additional Information Relating to Reserves Data

Item 5.1 Significant Factors or Uncertainties

PLA conducted its independent engineering evaluation on Buffalo's reserves as at December 31, 2004. The process of establishing reserves requires significant judgements and decisions based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change.

As circumstances change and additional data become available, reserve estimates also change. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions and governmental restrictions.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and gas prices, and reservoir performance.

At December 31, 2004, Buffalo had proved undeveloped heavy oil reserves totalling 101.8 Mstb. This is the first year that the Corporation has had proved undeveloped heavy oil reserves assigned. The Corporation developed these heavy oil reserves in the first quarter of 2005 when it completed and equipped two wells that were drilled in 2004. At December 31, 2003 the Corporation had undeveloped natural gas reserves totalling 22.1 Mmcf which were developed during 2004. At December 31, 2002, the Corporation had no undeveloped reserves.

Item 5.2 Future Development Costs

Future development costs to realize total proved and total proved plus probable reserves were forecast as follows:

Development Capital Schedule Based on Forecast Prices and Costs
At January 1, 2005
Effective December 31, 2004

	TOTAL PROVED		TOTAL PROVED + PROBABLE	
	Undiscounted ($000s)	Discounted at 10% ($000s)	Undiscounted ($000s)	Discounted at 10% ($000s)
2005	225	224	389	380
2006	76	66	76	66
2007	0	0	0	0
2008	0	0	0	0
2009	0	0	0	0
2010	0	0	0	0
2011	0	0	0	0
2012	0	0	0	0
2013	0	0	0	0
2014	0	0	0	0
SUB.	301	290	465	446
REM	0	0	0	0
TOTAL	301	290	465	446

Part 6 Other Oil and Gas Information

Item 6.1 Oil and Gas Properties and Wells

All of Buffalo's properties are located in Alberta and Saskatchewan, Canada. Production volumes listed for the properties below are reported as the Corporation's net volumes after the impact of royalty interests.

Fort Saskatchewan, Alberta

Buffalo owns a 100% working interest in two gas wells that produce from the Viking formation located 20 miles north of Edmonton, Alberta in the Fort Saskatchewan field. Buffalo is the operator of the property.

Gilby/Rimbey, Alberta

Buffalo owns various interests ranging from an overriding royalty position of 5% in one well to working interests ranging from 15% to 50% in six producing natural gas wells, three producing oil wells and one suspended oil well, all located 65 miles southwest of Edmonton, Alberta in the Gliby/Rimbey area. The wells and facilities are operated by partners and the production is processed at third party facilities.

Westlock, Alberta

Buffalo owns a 100% working interest in two gas wells which produce from the Viking formation, located 45 miles northwest of Edmonton, Alberta in the Westlock field. Buffalo is the operator of the wells and facilities.

Frog Lake, Alberta

At December 31, 2004, the Corporation owns working interest ranging from 25% to 40% in one heavy oil well, two suspended heavy oil wells and one gas well on lands within the Frog Lake First Nation Reserve. The oil well produces from the McLaren formation and the gas well produces from the Colony formation. These wells are operated by partners. In 2004, the Corporation drilled two additional McLaren oil wells which were completed in 2005. In the first quarter of 2005 Buffalo drilled another McLaren oil well (25% working interest). Buffalo anticipates drilling at least two additional wells during 2005 in satisfaction of its farm-in commitments.

Alameda, Saskatchewan

Buffalo has a 2.95% working interest in an oil unit with nine producing wells and an average 80% working interest in another eight operated producing oil wells which are produced through three operated oil batteries. Production is from the Midale and Frobisher formations.

Heward, Saskatchewan

Buffalo currently has an interest in five oil wells at Heward. Buffalo has a 52% operated working interest in three vertical oil wells and an oil battery as well as gross overriding royalty interests in one vertical and one horizontal oil well. Production is from the Frobisher formation. In 2005, another horizontal oil well was drilled on the property which will yield a gross overriding royalty to Buffalo. Buffalo anticipates drilling at least one horizontal well at Heward in 2005.

The following table shows information regarding the Corporation's wells as at December 31, 2004.

	Producing Wells				**Non-Producing Wells**			
	Crude Oil		**Natural Gas**		**Crude Oil**		**Natural Gas**	
	Gross	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**
Total	44.0	13.6	17.0	6.0	12.0	7.4	5.0	2.2

Item 6.2 Properties with No Attributed Reserves

The following table sets forth information regarding Buffalo's undeveloped lands as at December 31, 2004.

		Hectares	
Area	**Average Working Interest %**	**Gross**	**Net**
Alberta	73	7,828	5,742
Saskatchewan	47	1,222	574
Total	70	9,050	6,316

Buffalo also has farm-in and participation agreements with Frog Lake Energy Resources Corp. ("FLERC"), a corporation wholly owned and controlled by the Frog Lake First Nation, covering approximately 37,000 gross acres of land on the Frog Lake First Nation Reserve. Pursuant to the farm-in agreement, the Corporation has a commitment to drill a minimum of three 500 metre test wells (100% working interest) by April 30, 2006 to evaluate lands that are subject to the farm-in agreement. The participation agreement provides Buffalo the option to participate at a 25% working interest in oil wells (37.5% in gas wells) that are proposed for drilling by another operator on the Reserve lands.

During 2005, approximately 64 net hectares of the Corporation's undeveloped land will expire if it is not developed.

Item 6.3 Forward Contracts

Buffalo is not currently party to any forward sale contracts.

Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs

The Corporation estimates well abandonment costs stereotypically area by area. The costs related to proved reserves are included in the PLA Report as deductions in arriving at future net revenue. Costs related to non-producing wells and facilities are estimated by the Corporation. Buffalo's forecast total undiscounted abandonment and reclamation cost for its 30 net producing and non-producing wells and five net facilities was $1.6 million at December 31, 2004. Buffalo anticipates abandoning one well in 2005 and thereafter to incur abandonment costs regularly until 2024.

The following table summarizes the abandonment and reclamation costs in constant costs and in forecast costs:

Abandonment and Reclamation Liability as at December 31, 2004	Constant costs discounted at 0% ($000s)	Constant costs discounted at 10% ($000s)	Forecast costs discounted at 0% ($000s)	Forecast costs discounted at 10% ($000s)
Associated with wells having proved reserves	392	203	502	258
Associated with non-producing wells and wells that have no reserves assigned	1,008	588	1,106	622
Total abandonment and reclamation cost provision	1,400	791	1,608	880
Amount forecast to be paid in next three years	316	257	328	266

Item 6.5 Tax Horizon

The Corporation paid income tax of $22,337 for the year ended December 31, 2004 and expects to be taxable on the net revenues generated in future years. Buffalo pays income tax at the public company rates applicable on income in Alberta and Saskatchewan. Buffalo's blended tax rate is expected to decrease from the forecast 2005 rate of 38.82% to 34.71% by 2007.

Item 6.6 Costs Incurred

The following table summarizes certain expenditures by Buffalo during the year ended December 31, 2004.

	Property Acquisition Costs				
Year	**Unproved Properties** ($000s)	**Proved Properties** ($000s)	**Exploration Costs** ($000s)	**Development Costs** ($000s)	**Total Capital Expenditures** ($000s)
2004	652	2,377	191	1,525	4,745

Item 6.7 Exploration and Development Activities

The following table sets forth the gross and net wells completed by Buffalo during the year ended December 31, 2004.

Oil Wells		**Gas Wells**		**Service Wells**		**Dry Holes**	
Gross	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**
3.0	0.9	2.0	0.4	0.0	0.0	0.0	0.0

Item 6.8 Production Estimates

The following table summarizes the Corporation's working and royalty interest production volumes for 2005 as forecasted in the PLA Report for each field comprising in excess of 20% of production and in total for each product type:

Field	Light & Medium Oil & NGLs (net Bbls/d)	Heavy Oil (net Bbls/d)	Natural Gas (net Mcf/d)	Oil Equivalent (net Boe/d)
Rimbey/Gilby, Ab	24	0	199	57
Westlock, Ab	0	0	227	38
Frog Lake, Ab	0	93	52	102
Heward, Sask	30	0	0	30
Other	24	0	271	69
Total	78	93	749	296

Item 6.9 Production History

The following table summarizes the Corporation's average daily production volumes, before deduction of royalties, on a quarterly basis during the financial year ended December 31, 2004.

	Average Daily Production Volumes Year ended December 31, 2004			
Three Months Ended	**March 31**	**June 30**	**Sept 30**	**Dec 31**
Light and medium oil (Bbls/d)	32	32	35	29
Heavy oil (Bbls/d)	5	26	48	24
Natural gas(Mcf/d)	868	849	821	842
Oil equivalent (BOEPD)	182	199	220	193

The following table summarizes the Corporation's unit profitability.

	Profitability per Unit of Production Year ended December 31, 2004				
Three Months Ended	**March 31** ($/Boe)	**June 30** ($/Boe)	**Sept 30** ($/Boe)	**Dec 31** ($/Boe)	**Year** ($/Boe)
Revenue	41.19	42.40	41.65	41.50	41.80
Royalties Paid	6.77	6.26	6.75	5.96	6.46
Operating Expenses	9.49	8.44	10.06	8.20	9.10
Operating Netback	24.93	27.70	24.83	27.34	26.24

The following table summarizes the Corporation's production volumes during the year ended December 31, 2004 for each field comprising in excess of 20% of production and in total, by product type.

Field	Light & Medium Oil & NGLs (Bbls/d)	Heavy Oil (Bbls/d)	Natural Gas (Mcf/d)	Oil Equivalent (Boe/d)
Westlock, Ab	0	0	312	52
Rimbey / Gilby, Ab	31	0	274	77
Frog Lake, Ab	0	26	9	27
Other	1	0	247	42
Total production	32	26	842	198

FORM 51-101F2
REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR AND AUDITOR

Attention: Board of Directors of The Buffalo Oil Corporation (the "Company")

1. We have evaluated the Company's reserves data as at December 31, 2004. The reserves data consist of the following:

   (a) proved and proved plus probable oil and gas reserves estimated as at December 31, 2004 using forecast prices and costs and the related estimated future net revenue; and

   (b) proved and proved plus probable oil and gas reserves estimated as at December 31, 2004 using constant prices and costs and 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.

3. 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).

4. 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.

5. The following table sets forth the estimated future net revenue, before deduction of income taxes, attributed to proved plus probable additional reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent (including ARTC), 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 audited, evaluated and reviewed and reported on to the Company's board of directors:

Independent Qualified Reserves Evaluator or Auditor	Description and Preparation date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue $000 - before income taxes, 10% discount rate)			
			Audited	Evaluated	Reviewed	Total
Paddock Lindstrom & Associates Ltd.	March 30, 2005	Canada	$nil	$9,246.5	$nil	$9,246.5

6. 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. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our reports referred to in paragraph 5 for events and circumstances occurring after their respective preparation dates.

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

Executed as to our report referred to above:

Paddock Lindstrom & Associates Ltd.
Calgary, Alberta, Canada

Execution Date: April 19/05

Peter Hadala, P.Eng.
Vice-President

Buffalo Oil
Company Limited
Suite 211, 7710 - 5th Street S.E.
Calgary, Alberta T2H 2L9

Telephone: 403-252-2095
Facsimile: 403-252-1399

Form 51-101F3
Report of Management and Directors
on Reserves Data and Other Information

Management of The Buffalo Oil Corporation (the "Corporation") is responsible for the preparation and disclosure of information with respect to the Corporation'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 at December 31, 2004 using constant prices and costs;

(ii) the related estimated future net revenue.

Paddock Lindstrom & Associates Ltd. ("PLA") an independent qualified reserves evaluator has evaluated the Corporation's reserve data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Corporation has

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

(b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation and to inquire whether there had been disputes between the previous independent qualified reserves evaluator and management; and

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

The Reserves Committee of the board of directors has reviewed the Corporation'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 evaluator on the reserves data; and

(c) the content and filing of this report.

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

Signed "*Duane B. Domier*"
Vice President and Chief Operating Officer

Signed "*Trevor G. Penford*"
President & Chief Financial Officer

April 27, 2005