NATIONAL INSTRUMENT 51-101

Standards of Disclosure for Oil and Gas Activities

Reporting Issuer

Coral Sea Petroleums Ltd.

2004 Oil and Gas Activities and Reserves Data

Public Disclosure Filing

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STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

The statement of reserves data and other oil and gas information set forth below (the "Statement") is effective mid-night December 31, 2005. The preparation date of the Statement is April 28, 2006. The report of the independent qualified reserves evaluator is filed with securities regulatory authorities concurrently with this report.

The management of Coral Sea Petroleums Ltd. (the “Company”) is responsible for the consolidation data presented in this Report. Consolidations presented herein are the mathematical addition by reserve category of the independent report prepared by Pancho Resources Limited for all properties effective mid-night December 31, 2005.

Disclosure of Reserves Data

All of the Corporation's reserves are in Canada, specifically, in the province of Alberta. The reserves data set forth below (the "Reserves Data") is based on an evaluation by Pancho Resources Limited effective mid-night December 31, 2005. The Reserves Data summarizes the crude oil, natural gas liquids and natural gas reserves of the Corporation, and the net present values of future net revenue for these reserves, using constant prices and costs and forecast prices and costs. The independent reports were prepared in accordance with the standards contained in the COGE Handbook and the reserve definitions contained in NI 51-101. Additional information not required by NI 51-101 has been presented to provide both continuity and clarification which management believes is important. The Company engaged Pancho Resources Limited to provide an independent evaluation of proved and proved plus probable reserves only. No attempt was made to evaluate possible reserves and no summary of possible reserves is included herein. The disclosure provided herein in respect to barrel of oil equivalency (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6,000 standard cubic feet of gas at 1,000 BTU per standard cubic foot equals one barrel of crude oil (6 mcf = 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

It should not be assumed that the consolidated estimates of future net revenues presented in this disclosure represent the fair market value of the reserves. There is no assurance that the constant prices and associated costs assumptions, nor the forecast prices and associated costs assumptions will be attained. Variances could be material. The recovery and reserve estimates of the Company's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquid reserves may be greater than, or less than, the estimates provided herein.

FORM 51-101F1
Statement of Reserves Data and Other Oil and Gas Information

Table of Contents

Part 1: Date of Statement and Definitions
1.1 Certain Definitions
1.2 Relevant Dates
Part 2: Disclosure of Reserves Data
2.1 Reserves Data (Constant Prices and Costs)
1. Breakdown of Proved Reserves
2. Net Present Value of Future Net Revenue
3. Additional Information Concerning Future Net Revenue
2.2 Reserves Data (Forecast Prices and Costs)
1. Breakdown of Reserves
2. Net Present Value of Future Net Revenue
3. Additional Information Concerning Future Net Revenue
2.3 Reserves Disclosure Varies with Accounting
2.4 Future Net Revenue Disclosure Varies with Accounting
Part 3: Pricing Assumptions
3.1 Constant Prices Used in Estimates
3.2 Forecast Prices Used in Estimates
Part 4: Reconciliation of Changes in Reserves
4.1 Reserves Reconciliation
4.2 Future Net Revenue Reconciliation
Part 5: Additional Information Relating to Reserves Data
5.1 Undeveloped Reserves
5.2 Significant Factors or Uncertainties
5.3 Future Development Costs
Part 6: Other Oil and Gas Information
6.1 Oil and Gas Properties and Wells
6.2 Properties with No Attributed Reserves
6.3 Forward Contracts
6.4 Additional Information Concerning Abandonment and Reclamation Costs
6.5 Tax Horizon
6.6 Costs Incurred
6.7 Exploration and Development Activities
6.8 Production Estimates
6.9 Production History

Part 1: Date of Statement and Definitions

1.1 Certain Definitions

Reserve Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on analysis of drilling, geological, geophysical and engineering data; the use of established technology; and specified economic conditions (see the discussion of "Economic Assumptions" below).

Reserves are classified according to the degree of certainty associated with the estimates.

(a) **Proved reserves** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

(b) **Probable reserves** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or lee than the sum of the estimated proved plus probable reserves.

Other criteria that must also be met for the categorization of reserves are provided in the COGE Handbook. Each of the reserve categories (proved and probable) may be divided into developed and undeveloped categories:

(c) **Developed reserves** are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

> (i) **Developed producing reserves** are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainly.
>
> (ii) **Developed non-producing reserves** are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.

(d) **Undeveloped reserves** are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable) to which they are assigned. In multi-well pools it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserve entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest level sum of individual entity estimates for which reserves are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions:

(a) at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves; and

(b) at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.

A qualitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

1. Forecast Prices and Costs

Forecast prices and costs are those:

(a) generally acceptable as being a reasonable outlook of the future; and

(b) if and only to the extent that, there are fixed or presently determinable future prices or costs to which the Corporation is legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs rather than the prices and costs referred to in paragraph (a).

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in the COGE Handbook.

In this Annual Information Form, the following words and phrases have the following meanings, unless the context otherwise requires:

"**COGE Handbook**" means the Canadian Oil and Gas Evaluation Handbook prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum;

"**Development costs**" means costs incurred to obtain access to reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas from reserves. More specifically, development costs, including applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

(a) gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground draining, road building, and relocating public roads, gas lines and power lines, pumping equipment and wellhead assembly;

(b) drill and equip development wells, development type stratigraphic test wells andservice wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment and wellhead assembly;

(c) acquire, construct and install production facilities such as flow lines, separators, treaters, heaters, manifolds, measuring devices and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems; and

(d) provide improved recovery systems.

"**Exploration costs**" means costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects that may contain oil and gas reserves, including costs of drilling exploratory wells and exploratory type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property and after acquiring the property. Exploration costs, which include applicable operating costs of support equipment and facilities and other costs of exploration activities, are:

(a) costs of topographical, geochemical, geological and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews and others conducting those studies;

(b) costs of carrying and retaining unproved properties, such as delay rentals, taxes (other than income and capital taxes) on properties, legal costs for title defence, and the maintenance of land and lease records;

(c) dry hole contributions and bottom hole contributions;

(d) costs of drilling and equipping exploratory wells; and

(e) costs of drilling exploratory type stratigraphic test wells.

"**Gross**" means:

(a) in relation to the Corporation's interest in production and reserves, its "Corporation gross reserves", which are the Corporation's interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of the Corporation;

(b) in relation to wells, the total number of wells in which the Corporation has an interest; and

(c) in relation to properties, the total area of properties in which the Corporation has an interest.

"**Net**" means:

(a) in relation to the Corporation's interest in production and reserves, the Corporation's interest (operating and non-operating) share after deduction of royalties obligations, plus the Corporation's royalty interest in production or reserves;

(b) in relation to wells, the number of wells obtained by aggregating the Corporation's working interest in each of its gross wells; and

(c) in relation to the Corporation's interest in a property, the total area in which the Corporation has an interest multiplied by the working interest owned by the Corporation.

"**NI 51-101**" means National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities;

"**Service well**" means a well drilled or completed for the purpose of supporting production in an existing field. Wells in this class are drilled for the following specific purposes: gas injection (natural gas, propane, butane or flue gas), water injection, steam injection, air injection, salt water disposal, water supply for injection, observation or injection for combustion.

1.2 Relevant Dates

1. The date of this statement is April 28, 2006.
2. The effective date of the information provided is Mid-night December 31, 2005.
3. The preparation date of the information being provided is April 28, 2006.

Part 2: Disclosure of Reserves Data

2.1 Reserves Data (Constant Prices and Costs)

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
As of December 31, 2005

CONSTANT PRICES AND COSTS

RESERVES

	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS non-associated & associated		NATURAL GAS		NATURAL GAS LIQUIDS	
RESERVE CATEGORY	Gross Mbbl	Net Mbbl	Gross Mbbl	Net Mbbl	Gross MMcf	Net MMcf	Gross MMcf	Net MMcf	Gross Mbbl	Net Mbbl
PROVED										
Developed Producing					101	86			7	6
Developed Non-Producing										
Undeveloped										
Total Proved					101	86			7	6
Probable					22	19			1	1
Total Proved plus Probable					123	105			8	7

NET PRESENT VALUES

	BEFORE INCOME TAXES DISCOUNTED AT (% Yr)					AFTER INCOME TAXES DISCOUNTED AT (% Yr)				
RESERVE CATAGORY	0 (M$)	8 (M$)	10 (M$)	15 (M$)	20 (M$)	0 (M$)	8 (M$)	10 (M$)	15 (M$)	20 (M$)
PROVED										
Developed Producing	949	685	640	551	486	617	445	416	358	316
Developed Non-Producing	-	-	-	-	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-	-	-	-	-
Total Proved	949	685	640	551	486	617	445	416	358	3161
Probable	203	99	86	62	47	132	64	56	40	31
Total Proved Plus Probable	1152	783	726	613	531	749	509	472	398	347

TOTAL FUTURE NET REVENUE (UNDISCOUNTED) as of December 31, 2005

CONSTANT PRICES AND COSTS

Reserves Category	Revenue (M$)	Royalties (M$)	Operating Costs (M$)	Development costs (M$)	Well Abandonment Costs (M$)	Future Net Revenue Before (M$)	Income Taxes (M$)	Future Net Revenue After (M$)
Proved	1416	251	206		10	949	332	617
Proved Plus Probable	1725	306	256		11	1152	403	749

Total Future Net Revenue As of December 31, 2005

Constant Prices and Costs

Reserves Catagory	Production Group	Future Net Revenue Before Income Taxes discounted at 10% /year (M$)
Proved	Light and Medium Crude Oil (including Solution Gas and associated by-products)	-
	Heavy Crude Oil Oil (including Solution Gas and associated by-products)	-
	Natural Gas Oil (including associated by-products)	640
Proved plus Probable	Light and Medium Crude Oil (including Solution Gas and associated by-products)	-
	Heavy Crude Oil Oil (including Solution Gas and associated by-products)	-
	Natural Gas Oil (including associated by-products)	726

2.2 Reserves Data (Forecast Prices and Costs)

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
As of December 31, 2005

FORECAST PRICES AND COSTS

RESERVES

	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS non-associated & associated		NATURAL GAS		NATURAL GAS LIQUIDS	
RESERVE CATEGORY	Gross Mbbl	Net Mbbl	Gross Mbbl	Net Mbbl	Gross MMcf	Net MMcf	Gross MMcf	Net MMcf	Gross Mbbl	Net Mbbl
PROVED										
Developed Producing	-	-	-	-	102	87	-	-	7	6
Developed Non-Producing	-	-	-	-	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-	-	-	-	-
Total Proved	-	-	-	-	102	87	-	-	7	6
Probable	-	-	-	-	23	20	-	-	1	1
Total Proved plus Probable	-	-	-	-	125	107	-	-	8	7

NET PRESENT VALUES

	BEFORE INCOME TAXES DISCOUNTED AT (% Yr)					AFTER INCOME TAXES DISCOUNTED AT (% Yr)				
RESERVE CATAGORY	0 (M$)	8 (M$)	10 (M$)	15 (M$)	20 (M$)	0 (M$)	8 (M$)	10 (M$)	15 (M$)	20 (M$)
PROVED										
Developed Producing	936	669	625	539	476	608	435	406	350	309
Developed Non-Producing	-	-	-	-	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-	-	-	-	-
Total Proved	936	669	635	539	476	608	435	406	350	309
Probable	241	104	88	61	46	157	68	57	40	30
Total Proved Plus Probable	1177	773	713	600	522	765	503	463	390	339

TOTAL FUTURE NET REVENUE (UNDISCOUNTED) as of December 31, 2005

FORECAST PRICES AND COSTS

Reserves Category	Revenue (M$)	Royalties (M$)	Operating Costs (M$)	Development costs (M$)	Well Abandonment Costs (M$)	Future Net Revenue Before (M$)	Income Taxes (M$)	Future Net Revenue After (M$)
Proved	1420	251	222	-	11	936	328	608
Proved Plus Probable	1,782	309	285	-	11	1,177	412	765

Total Future Net Revenue As of December 31, 2005

Forecast Prices and Costs

Reserves Catagory	Production Group	Future Net Revenue Before Income Taxes discounted at 10% /year (M$)
Proved	Light and Medium Crude Oil (including Solution Gas and associated by-products)	-
	Heavy Crude Oil Oil (including Solution Gas and associated by-products)	-
	Natural Gas Oil (including associated by-products)	406
Proved plus Probable	Light and Medium Crude Oil (including Solution Gas and associated by-products)	-
	Heavy Crude Oil Oil (including Solution Gas and associated by-products)	-
	Natural Gas Oil (including associated by-products)	463

2.3 Reserves Disclosure Varies with Accounting

2.4 Future Net Revenue Disclosure Varies with Accounting

Part 3: Pricing Assumptions

3.1 Constant Prices Used in Estimates

The reference benchmark prices (reflecting the posted prices corresponding to the last day of the Company's most recent financial year) used in the constant price analysis, are provided in the following table.

3.2 Forecast Prices Used in Estimates

The forecast reference prices used in preparing the Company's reserves data are provided in the following table. This price forecast is the independent reserve evaluator's (Pancho Resources Limited) standard price forecast effective at December 31, 2005. The Company's weighted average historical sales prices in Canadian dollars during 2005 are as follows:

Heavy Oil		-
Light and Medium Crude Oil		
Natural Gas		
Natural Gas Liquids		

Summary of Pricing and Inflation Rate Assumptions

Year	WTI Cushing Oklahoma (SUS/bbl)	Edmonton Par Price 40 API ($Cdn/bbl)	Cromer Medium 29.3 API ($Cdn/bbl)	Natural Gas AECO Gas Prices ($Cdn/MMBtu)	Pentanes Plus FOB Edmonton ($Cdn/bbl)	Butanes FOB Edmonton ($Cdn/bbl)	Inflation Rate (%/Yr)	Exchange Rate ($US/$Cdn)
Historical								
2001	25.94	39.06	31.56	6.23	42.46	27.93	2	.646
2002	26.09	40.12	35.46	4.04	40.80	25.39	2.7	.637
2003	31.13	43.21	37.50	6.66	44.14	34.41	2.5	.716
2004	41.24	52.57	46.58	6.31	53.98	36.26	2.5	.7662
Constant								
31/12/05	56.57	69.2	57.06	8.77	69.00	46.47	2.0	.823
Forecast								
2006	39.40	50.56	44.50	10.60	51.57	34.95	2.0	.860
2007	37.55	49.03	42.90	10.16	48.78	33.65	2	.850
2008	35.85	47.77	41.40	9.46	47.16	32.55	2	.850
2009	34.65	46.67	40.20	9.16	45.88	31.45	2	.850

Thereafter	Various Escalation Rates
Notes	
1	This summary table identifies benchmark reference pricing schedules that might apply to a *reporting issuer*
2	Inflation rates for forecasting prices and costs
3	Exchange Rates used to generate the benchmark reference prices is this table
	Product sale prices will reflect these reference prices with further adjustments for quality and transportation to point of sale

Part 4: Reconciliation of Changes in Reserves

4.1 Reserves Reconciliation

This table provides a reconciliation of the Company's net reserves based on Constant prices and costs. All of the Company's reserves are in Canada

RECONCILIATION OF COMPANY NET RESERVES BY PRINCIPAL PRODUCT TYPE CONSTANT PRICES AND COSTS

	Crude Oil			Natural Gas Liquids			Pipeline Gas		
Factors	Net Proved (Mbbl)	Net Probable (Mbbl)	Net Proved plus Probable (Mbbl)	Net Proved (Mbbl)	Net Probable (Mbbl)	Net Proved plus Probable (Mbbl)	Net Proved (MMcf)	Net Probable (MMcf)	Net Proved plus Probable (MMcf)
31/12/2004	-	-	-	10.6	2.1	12.7	119	24	143
Extensions	-	-	-	-	-	-	-	-	-
Improved Recovery	-	-	-	-	-	-	-	-	-
Technical Revisions	-	-	-	-	-1.1	-1.1	-	-5.0	.-5.0
Discoveries	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-
Dispositions	-	-	-	-	-	-	-	-	-
Economic Factors	-	-	-	-	-	-	-	-	-
Production	-	-	-	4.6	-	4.6	33	-	33
31/12/2004	-	-	-	6.0	1.0	7.0	86	19	105

4.2 Future Net Revenue Reconciliation

Period and Factor ($ thousands)	
Estimated Before Tax Net Present Value at December 31, 2004	576
Oil and Gas Sales During the Period Net of Production Costs and Royalties (1)	(172)
Changes due to Prices, Production Costs and Royalties Related to Forecast Production (2)	75
Changes In Forecast Development Costs (3)	-
Changes Resulting from Extensions and Improved Recovery	-
Changes Resulting from Discoveries	-
Changes Resulting from Acquisitions of Reserves (4)	-
Changes Resulting from Dispositions of Reserves (4)	-
Accretion of Discount (5)	-
Net Change in Income Taxes	-
Changes Resulting from Technical Reserves Revisions	247
All Other Changes	-
Estimated Before Tax Net Present Value at December 31, 2005	726

Values are based on total proved reserves from the constant prices and costs case discounted at 10%
(1) Company actual before income taxes, excluding G&A.
(2) The impact of changes in prices and other economic factors on future net revenue.
(3) The change in forecast development costs for the properties evaluated at the beginning of the period.
(4) Estimated net present value of the related reserves at date of acquisition/divestiture.
(5) Estimated as 10% of the beginning of period net present value.

Part 5: Additional Information Relating to Reserves Data

5.1 Undeveloped Reserves

Proved and probable undeveloped reserves have been estimated in accordance with procedures and standards contained in the COGE Handbook. All of the undeveloped reserves are scheduled to be developed during 2005, within one year of the effective date.

5.2 Significant Factors or Uncertainties

Subsequent to the preparation of the reserves data, forecasted prices for all product types have increased significantly. This will increase the future net revenue estimates above those disclosed in this document.

5.3 Future Development Costs

1. The following table summarizes capital development costs related to the recovery of the Company's reserves and future abandonment costs.

Future Development Costs

	Forecast Prices and Costs		**Constant Prices and Costs**
Year	Proved Reserves M$	Proved plus Probable Reserves M$	Proved Reserves M$
2006	-	-	-
2007	-	-	-
2008	-	-	-
2009	-	-	-
20010	-	-	-
(Thereafter)			
Total Undiscounted	-	-	-
Total DCF 10	-	-	-

2. The Company expects the source of funding for estimated future development costs to be internally generated cash flow, debt and equity financing. The costs of this funding will be low and will not make development of any property uneconomic.

Part 6: Other Oil and Gas Information

6.1 Oil and Gas Properties and Wells

1. The Company's properties are onshore in Alberta, Canada. The Company does not have any other significant statutory or mandatory relinquishments, surrenders, backins or changes in ownership.

2. Wells

	Oil Wells		**Gas Wells**		**Total Wells**	
	Gross	**Net**	**Gross**	**Net**	**Gross**	**Net**
Producing Wells	0	0	1	.25	1	.25
Non-producing Wells	0	0	0	0	0	0
Total:	0	0	1	.25	1	.25

6.2 Properties with No Attributed Reserves

1. The Company has 1200 gross acres (645 net acres) of unproven land (shallow and deeper rights).

2. The Company has no unproved land with the potential to expire in 2006.

6.3 Forward Contracts

The Company has no forward contracts

6.4 Additional Information Concerning Abandonment and Reclamation Costs

The Company estimates abandonment and reclamation costs on a producing region basis. At present, the Company has made provision to abandon ..25 net wells over the total life of the field and has deducted the estimated abandonment costs from the future cash flow projections.

Abandonment and Reclamation Costs	**Undiscounted**	**Discounted at 10%**
Total Costs ($M)	11	1.6

The Company expects to incur costs of $0.00 over the next three years.

6.5 Tax Horizon

The Company was not required to pay income taxes in 2004. The after tax forecasts in the reserves data indicate that income taxes will become payable in 2006. When costs are taken into account for G&A, tax loss carry forwards, and new capital expenditures the Company does not expect to be remit income taxes in 2006.

6.6 Costs Incurred in 2005

The Company’s property acquisition costs were $17,222.63. The Company has no investments that are accounted for by the equity method.

6.7 Exploration and Development Activities

1. Wells Drilled in 2005

	Oil		**Gas**		**Service**		**D&A**		**Total**	
	Gross	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**
Exploratory	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**.25**	**0**	**0**
Development	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

2. The Company has not budgeted for Exploration activities or Development activities in 2006. All of the Company's current exploration and development land is in Canada.

6.8 Production Estimates

The following table presents an estimate of the Company's production by product type for the first year of the forecast. All production is obtained in Canada.

Production for properties which individually account for 20 percent or more of the Company's forecast production (total proved plus probable reserves, BOE basis) in the first year of forecast has been identified separately in these tables.

First Year Production and Revenue using Forecast Prices							
Total Proved				Total Probable			
	Crude Oil & Condensate	**Natural Gas**	**Natural Gas Liquids**		**Crude Oil & Condensate**	**Natural Gas**	**Natural Gas Liquids**
	Company Net Mbbls	Company Net MMcf	Company Net Mbbls		Company Net Mbbls	Company Net MMcf	Company Net Mbbls
Total	0	11	1		0	1	0
Nevis	0	11	1		0	3	0

Total Proved plus Probable - Forecast Prices			
	Crude Oil & Condensate	**Natural Gas**	**Natural Gas Liquids**
	Company Net Mbbls	Company Net MMcf	Company Net Mbbls
Total	0	12	1
Nevis	0	12	1

6.9 Production History

1. Production Sales Volumes in 2005 – Total Production

	Oil bbls/day	Gas mcf/day	NGL bbls/day	Total boe/day
1st Quarter	0	27	1.2	5.7
2nd Quarter	0	24	1.2	5.2
3rd Quarter	0	27	2.1	6.62
4th Quarter	0	27	2.1	6.62

Nevis Field

	Oil bbls/day	Gas mcf/day	NGL bbls/day	Total boe/day
1st Quarter	0	27	1.2	5.7
2nd Quarter	0	24	1.2	5.2
3rd Quarter	0	27	2.1	6.62
4th Quarter	0	27	2.1	6.62

2. Operating Margin Analysis for 2005

2004 Operating Margin Analysis						
	Quarter Ended 2005				2005 Averages	Percent Product or $
	1st Q	**2nd Q**	**3rd Q**	**4th Q**	**Year**	%
Average Daily Production						
Light-Medium Crude (bbls/d)						
Heavy Oil (bbls/d)						
Gas (Mcf/d)	**27**	**24**	**27**	**27**	**26**	**72**
NGLs (bbls/d)	**1.2**	**1.2**	**2.1**	**2.1**	**1.6**	**28**
Combined (boe/d)	**5.7**	**.52**	**6.62**	**6.62**	**6**	**100**
Average Price Received						
Light-Medium Crude (bbls)						
Heavy Oil (bbls)						
Gas (Mcf)	**$8.52**	**$9.29**	**$10.59**	**$14.67**	**$10.77**	
NGLs (bbls)	**$45.42**	**$42.17**	**$48.05**	**$53.21**	**$47.21**	
Average ($/boe)	**$49.92**	**$52.61**	**$58.67**	**$76.83**	**$59.51**	
Royalties Paid	Not available separately by product					
Light-Medium Crude (bbls)						
Heavy Oil (bbls)						
Gas (Mcf)						
NGLs (bbls)						
Average ($/boe)	**$5.63**	**$6.55**	**$7.31**	**$9.26**	**$7.19**	
Operating Expenses ($/boe)	Not available separately by product					
Light-Medium Crude (bbls)						
Heavy Oil (bbls)						
Gas (Mcf)						
NGLs (bbls)						
Average ($/boe)	**$7.86**	**$10.41**	**$6.65**	**$5.35**	**$7.36**	
Netback Received ($/boe)	Not available separately by product					
Light-Medium Crude (bbls)						
Heavy Oil (bbls)						
Gas (Mcf)						
NGLs (bbls)						
Corporate Average ($/boe)	**$36.43**	**$35.65**	**$$44.71**	**$62.22**	**$44.75**	