



Calgary Office

Mindy Selby, Sr. VP
W. P. (Bill) Gwozd, VP
Kelly Clapham, Director
Simon Mauger, Director
Gareth Slater, Director
Cameron Gingrich, Manager
Edward Kallio, Manager
Colleen Kiranas, Manager
Airat Moukhametov, Manager
Melody Veinot, Manager

Min Yang, Manager
Richard G. DeWolf, Exec. Assoc.
Bernie Otis, Exec. Assoc.
G. Christopher Phillips, Exec. Assoc.
G. Gordon Clarke, Sr. Assoc.
Ron Prowse, Sr. Assoc.
Dave Vetsch, Sr. Assoc.
Al Kleinschmidt, Assoc.
Masoud Shahanaghi, Assoc.

Paul Ziff, CEO

Houston Office

Juan C. Alba, VP
Richard M. Tucker, VP

Paul Ching, Exec. Assoc.
Richard Parker, Exec. Assoc.
Harald Winter, Exec. Assoc.
James Harvick, Sr. Assoc.
Sylvia Portnoy, Sr. Assoc.
Damir Vrcek, Sr. Assoc.
Joseph Wardzinski, Assoc.

FOR IMMEDIATE RELEASE

Calgary, April 29, 2008

Ziff Energy Report: 2007 U.S. and Canadian Gas Reserve Replacement - Who's Growing and Who's Going

Ziff Energy Group announces the release of an executive colour report which provides an analysis of the 2007 U.S. and Canadian gas reserve replacement rate, gas reserve life, and North American gas drilling rig trends. Reserve replacement is a leading indicator for future industry gas production capability. Ziff Energy's analysis indicates that continued gas drilling growth in U.S. is resulting in growth of gas reserve additions; U.S. reserve replacement is more than double annual production. In Canada, the opposite is occurring, and replacement rate is decreasing due to lower drilling activity. The top 30 producing public companies were analysed in Lower 48 United States and the 25 largest public gas producers in Canada:

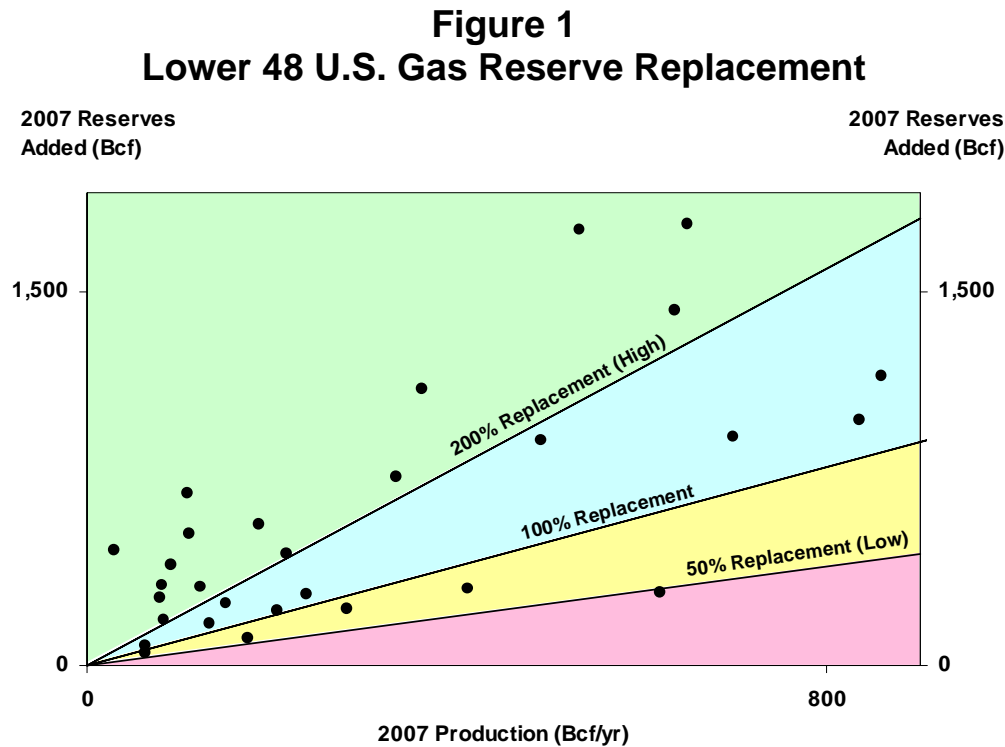
- U.S. L48** • growing - overall replacement more than double annual gas production
- Canada** • shrinking - overall replacement less than annual gas production.

In Ziff Energy's methodology, the reserve replacement rate does not include acquisitions or divestments, which do not add to the industry total reserves; Alaskan gas production and reserves are excluded from reserve replacement and reserve life index calculations. The data are from companies representing: half (9.5 Tcf/year) of the U.S. Lower 48 gas production (19 Tcf/year) and three quarters (4.5 Tcf/year) of Canadian gas production (6 Tcf/year).

"Ziff Energy witnessed a sharp decline in drilling activities in Canada compared to steady growth in the U.S. This indicates that companies believe there are more opportunities in the U.S. to develop new reserves as compared to Canada," reported Zuzana Jurickova, Analyst for Ziff Energy.

Simon Mauger, Director, Gas Services said "the reserve life for the both U.S. and Canada dropped slightly compared to last year – to 12.7 years in U.S. and to 8.3 years in Canada".

Figure 1 presents the Lower 48 gas reserve replacement rates for the top 30 producers.



Other recent Ziff Energy reports include:

- Pipelines for Growing Canadian Oil Sands Production
- Northern Gas Moving Forward
- North American Pipeline Construction
- LNG Terminals – Costs and Timing
- N.A. Natural Gas Demand Outlook to 2015
- Gas Price Differentials Forecast to 2015
- Henry Hub Gas Price Outlook to 2015
- U.S. Rockies Gas Production Outlook to 2015
- North American Gas Storage
- Canadian Natural Gas Exports to 2020
- Growth of Natural Gas for Ethanol
- Western Canada Gas Production Outlook to 2015

###

For further information on our North American Gas Strategies Retainer Service, please contact Bill Gwozd, P.Eng., Vice President, Gas Services, at (403) 234-4299 (bill.gwozd@ziffenergy.com).

Ziff Energy Group, celebrating the 25th year of client service, is a leading North American gas consulting firm. On an international basis, Ziff Energy provides sophisticated industry and operational business analysis and custom consulting to the world wide energy industry. We have offices in Calgary and Houston, the primary oil and gas centers in North America. Our growing staff of 55⁺ includes **many industry specialists**, with **15 to 30 years of domestic and international experience**.

