

2010

Analysis of Acquirer Stock Performance in Mergers and Acquisitions in Alberta's Oil and Gas Industry

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Recommended Citation

Zivot, Harrison A., "Analysis of Acquirer Stock Performance in Mergers and Acquisitions in Alberta's Oil and Gas Industry" (2010).
CMC Senior Theses. Paper 22.
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CLAREMONT McKENNA COLLEGE

ANALYSIS OF ACQUIRER STOCK PERFORMANCE IN MERGERS AND

ACQUISITIONS IN ALBERTA'S OIL AND GAS INDUSTRY

SUBMITTED TO

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AND

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BY

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FOR

SENIOR THESIS

FALL/2010

NOVEMBER 29TH, 2010

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Abstract:

This paper develops a framework that analyzes how mergers and acquisitions in Alberta's oil and gas industry affect stock prices. In this experiment, a multivariate regression is applied to several industry-specific variables to determine if they have impacts on the abnormal stock returns of acquirers. The results show that abnormal returns 5 days prior to the public announcement of the transaction are, in fact, driven by several industry-specific variables. However, the returns immediately after the M & A announcements are similar to previous research done in other industries. Acquirers' gains 2 days after the announcement are essentially unaffected by the transaction. After a 90-day period, the share performances of acquiring firms tend to beat the index by 7% on average, but this is not thoroughly explained by the variables in the regression analysis.

I. INTRODUCTION

In a free-market world, companies are encouraged to continually grow and become more efficient. A common way that firms have historically accomplished this is through mergers and acquisitions (M & A's). A merger is when two companies fuse together and agree to carry on future business as one company. An acquisition is when one firm purchases another firm, or an asset from another firm, and clearly distinguishes itself as one company. M & A's allow companies to grow instantly, without having to develop another business entity. In every M & A transaction there

is an acquirer and a seller. Acquirers aim to gain a greater share of the market to increase their power, while sellers shed assets to increase efficiency. The main purpose for an acquirer, however, is to increase financial success. In a public company, financial success is reflected by its stock price.

Evaluating M & A impacts on acquirer stock price has been a hot topic in finance for decades. Many economists and researchers have approached this subject in different ways. In 1982, Paul Asquith and E. Han Kim ran a thorough experiment that measured acquirer stock performance after an M & A. They concluded that acquiring firms' share prices are not significantly affected by the announcement of an M & A. If anything, the share prices tend to slightly drop (1). This theory still holds today.

More economists expanded on Asquith and Kim's assessment by looking at specific variables in M & A's that potentially affect acquirer share price. For instance, researchers have explored if an acquirer's method of payment affects stock performance after an M & A announcement. DeAngelo, DeAngelo, and Rice (1984) provided empirical evidence that showed that markets interpret a cash payment M & A more positively for the acquirer than a stock payment (2). It is believed that having the accountability to pay off debt forces managers to become more disciplined in order to achieve greater performance. To add on to this conclusion, Tim Loughran and Anand Vijh (1997) wrote, "Do Long-Term Shareholders Benefit From Corporate Acquisitions". They concluded that this theory not only holds in the short run, but in the long run as well. Acquirers that pay with cash perform much better in the stock market than ones that pay with stock (3).

In 1992, Deepak Datta, George Pinches, and V.K. Narayanan published, “Factors Influencing Wealth Creation From Mergers and Acquisitions: A Meta-Analysis”, with the intention to isolate the variables in M & A’s that are most influential to an acquirer’s share price. These authors ran a multivariate regression to explore their hypothesis. They took M & A data from a wide range of sectors and tested five independent variables that they thought explained their dependent variable, shareholder return. I will be following a similar method in my experiment. The results they found also supported past research. Acquirer share performance was basically unaffected by M & A announcements, and most of their independent variables were insignificant (4).

Since Datta, Pinches, and Narayanan’s model did not fully explain how an acquirer’s stock performance is affected during an M & A, more economists have continued to explore this facet. More recently, researchers have focused on one or a few variables that they hope will help explain this phenomenon. For instance, author Richard Rosen investigated the aspect of “hot” and “cold” merger markets, where momentum is a factor in stock price after the announcement of M & A’s. He concluded that in “hot” markets, M & A’s significantly increase share prices for acquirers, but in the long-term (3 years), the share prices decrease. This supports the theory that acquirers’ stock prices are essentially unaffected by M & A’s (5).

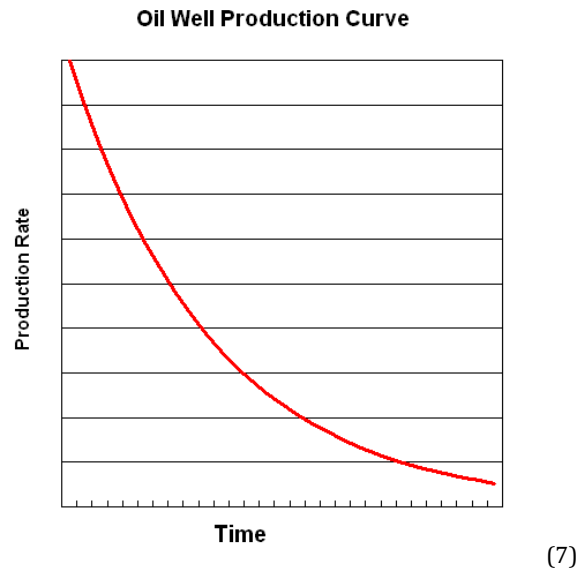
All of the authors previously mentioned have used data from a wide range of sectors to run tests on this matter. They have considered many important variables that should affect acquirer share price from M & A’s. However, as of now, nobody has singled out the oil and gas industry in Alberta. One may argue that the same

results from the previous tests would prove true in all industries, but the oil and gas industry is very unique. Unlike most sectors, which have a few powerhouse corporations that dominate the market share, Alberta's oil and gas industry is comprised of many similar-sized companies. In Calgary, there are 42 head offices for oil and gas corporations with market capitalizations (market caps) of over \$1 billion. Of these 42 companies, 10 have market caps of over \$20 billion (6). In addition, there are a copious amount of junior oil and gas startups with market caps in the millions. The industry is also unique because none of these firms have the competitive advantage of producing superior, less expensive products. They all produce oil and natural gas that must be processed to meet industry-quality standards. In addition, they are sold on the world market at a specific price. Therefore, the competitive nature of the industry is to be efficient in exploration, economical in production, and to find the highest quality of reserves to minimize the costs of refining.

Alberta's oil and gas industry has a high merger and acquisition activity. This phenomenon is due to several reasons. First, companies have no competitive advantage. In order to outperform competitors, firms constantly seek other oil reserves to strategically purchase. This allows them to immediately grow and become more competitive. Second, oil reserves have decline rates. Decline rates are measured by the percentage that an oil well's production decreases each year. Typically, an oil well in Alberta will have a decline rate of approximately 20%. This means, on average, that the well will pump out 20% less oil every year, even though

decline rates are extremely sharp initially and then eventually level off. Figure 1.0 shows the typical relationship between time and production in an oil well.

Figure 1.0:



The decline phenomenon forces companies to continually work on increasing their production. Firms do not want to have their production levels decrease by 20% every year. Since exploration is an arduous task, many firms resort to M & A's to fight this occurrence.

The other important explanation for high M & A activity in this industry stems from the recently developed relationship between royalty trusts and oil exploration and production companies. A royalty trust's purpose is to continually distribute income to its unitholders. Moreover, their required rate of return simply has to be enough to continue operations while consistently paying its unitholders. Royalty trusts do not undertake much exploration and development activity themselves, because it is too costly and risky to undergo such a difficult task when their rate of return required is not very high. Instead, royalty trusts seek oil and gas

reserves that are producing. This is the role that oil exploration and production firms serve. These companies need a large sum of capital to startup, and therefore require a very high rate of return in order to beat the high costs of their investments. The royalty trusts' demands and the oil exploration and production companies' demands have formed a market of sole buyers and sole sellers in the oil and gas industry in Alberta. Oil exploration and production companies are now establishing oil and gas reserves and then selling out for a bulk sum to royalty trusts. In turn, royalty trusts are fighting decline rates simply through M & A's and are avoiding the high risks involved with exploration and production. For exploration and production companies, it is now common for groups of managers to start a company, spend two to three years acquiring and developing oil and gas properties, and then sell the company when it has reached the point where it has become attractive to royalty trusts. The management team often holds on to a few undeveloped properties so they can repeat the process over again (8).

The large amount of oil and gas firms, the battle to fight decline rates, and the newly established relationship between royalty trusts and oil exploration and production companies have caused an abnormally large amount of mergers and acquisitions over the years. In years 2007 until second quarter 2010, there were 291 mergers and acquisitions in the Canadian oil and gas industry (9).

II. OBJECTIVE:

Due to the uniqueness of the oil and gas industry in Alberta, it is rational to explore its M & A transactions separately. The objective in this study is to find out whether M & A's in Alberta's oil and gas industry are distinctive to those of other industries. Moreover, I want to determine which industry-specific variables affect abnormal stock returns the greatest.

By performing this experiment, I hope to provide investment bankers, brokers, investors, and all people involved in the oil and gas industry with a greater understanding of the M & A's in Alberta's oil and gas sector. As a result, firms seeking to merge or acquire will be able to identify which industry-specific variables will be most important in affecting shareholder return around the time of the M & A transactions. This will help acquirers understand what helps them increase their share price, assist underwriters in their M & A valuations, and aid investors in deciding which deals will gain them the greatest returns.

III. DATA

Every business quarter, Sayer Energy Advisors release an M & A report titled, "Canadian Oil Industry Merger and Acquisition Report." The report consists of a summary of the M & A activity in the quarter, a comparison between the M & A's in the quarter, and a detailed breakdown of each M & A transaction that occurred. I borrowed 14 of Sayer's reports from Mackie Research Capital Corporation, one for

each business quarter between Q1 2007 and Q2 2010. I compared each of the 291 M & A transactions within this timeframe and recorded the results on a Microsoft Excel spreadsheet. Figure 2.0 shows an example of a Sayer Report's breakdown of an M & A transaction.

Figure 2.0

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Sayer Energy Advisors

CRESCENT POINT / TAPPIT

Purchaser:	Crescent Point Energy Ltd.		
Acquisition:	Tappit Resources Ltd.		
Date Announced:	May 26, 2003	Date Completed:	Pending
Transaction Type:	Cash purchase of shares and share exchange.		
Acquisition Prices :	Reserves: \$5.48/boe	Operating Cash Flow Multiple: 2.6 X	Production: \$31,373/boe/d

<u>Estimated Value:</u>	<u>million</u>		<u>million</u>
Equity Value	\$53.55 ⁽¹⁾	Enterprise Value	\$78.31
plus: Long term debt	+23.41	less: Undeveloped land	-1.40
Working capital deficit	-	Working capital surplus	-3.93 ⁽³⁾
Other liabilities	+1.35 ⁽²⁾	Other assets	-
Enterprise Value	<u>\$78.31</u>	Value of Reserves	<u>\$72.98</u>

<u>Reserves:</u>	<u>Oil & NGL</u>	<u>Gas</u>	<u>Total at 6:1</u>
	<u>(million bbls)</u>	<u>(BCF)</u>	<u>(million BOE)</u>
Proved - Producing	4,877	6,752	6,002
- Non-Producing	<u>3,347</u>	<u>1,206</u>	<u>3,548</u>
Total	8,224	7,958	9,550
Probable	<u>3,686</u>	<u>0,534</u>	<u>3,774</u>
	<u>11,909</u>	<u>8,491</u>	<u>13,324</u>

Proven producing reserves mix – (6:1 conversion) 81% oil / 19% ga

Source of reserves estimate – Martin & Brusset Associates adjusted for production from January 1, 2003 to March 31, 2003 by Sayer Energy Advisors.

<u>Daily Production:</u>		<u>Proven Reserve Life</u>	
		<u>Index:</u>	
Oil & NGL	1,692 bbls	Oil & NGL	13.3 years
Gas	3.81 mmcf	Gas	5.7 years
BOE (6:1)	2,326 bbls	BOE (6:1)	11.2 years

Undeveloped Land:

Total net acres	20,990
Estimated value	\$1.40 million
Unit value	\$66.76/net acre

Source of land value estimate – Tappit Resources Ltd.

Operating Cash Flow Estimate: \$28.03 million per year

Basis of cash flow estimate

Based on Tappit's actual operating cash flow for the three months ended March 31, 2003 before interest, overhead and current income tax.

Operating Cash Flow Multiple: 2.6

Canadian Oil Industry M&A Report

Second Quarter 2003

(10)

From the reports, I extracted variables that I thought would lead to abnormal returns. Most of the variables that I analyzed for the experiment are calculated in the Sayer reports, but I also calculated many myself. Table 1.0 shows the variables that were calculated from the Sayer reports, the variables that I calculated from the data provided, a description of each, and each variable's calculation method.

Table 1.0:

Variable	Description	Calculation Method
Acquirer	Company name of the buying firm.	N/A
Target	Company name of the selling firm.	N/A
Announcement Date	The date that the M & A announcement was made to the public.	N/A
Acquisition Type	Specifies if the buyer purchased using stock, cash, or a combination of both.	N/A
Acquisition Price	The amount paid for the entire transaction.	Calculated by Sayer
Value of Reserves	The amount of money that the oil and gas reserves are worth.	Calculated by Sayer
Percent Paid for Non-Reserves	The percentage of the transaction paid for assets that are not reserves (land, equipment, etc).	$(\text{Acquisition Price} - \text{Value of Reserves}) / (\text{Acquisition Price})$
Premium to Market Price	The additional percentage over current market price that acquirers pay for the target's shares.	Calculated by Sayer
Cost per Proven BOE ¹	The price paid for each BOE that has a 90% probability of being recovered from the reserves.	$(\text{Value of Reserves}) / (\text{Total Proven Reserves})$
Cost per Proven + Probable (P + 1/2P) BOE	The price paid for each BOE that has a 90% probability of being recovered from the reserves, plus each BOE that has a 50% probability of being recovered.	Calculated by Sayer
Daily Production	The amount of BOE's that the assets produce each day.	Calculated by Sayer
Proven Reserves Life Index	The amount of years that the assets can produce all of the proven reserves.	Calculated by Sayer
Proven + Probable Reserves Life Index	The amount of years that the assets can produce all of the proven + probable reserves.	$(\text{Proven} + \text{Probable Reserves}) / (\text{Daily Production} + 365 \text{ Days})$
Reserves' Percent Gas	The percentage of reserves that are natural gas.	Calculated by Sayer

¹ Barrel of Oil Equivalent (BOE): Common unit for oil and gas. 1 BOE is 1 barrel of oil or 6 mcf of natural gas.

The next set of data that I accumulated was from Bloomberg. Since my experiment exclusively analyzes the stock performance of acquirers, I gathered the share returns of all acquiring companies during three time periods around the public announcement of the M & A: 5 days before, 2 days after, and 90 days after. Then, I tracked the performance of the S&P/Toronto Stock Exchange Capped Energy Index and calculated abnormal return for each of the three time periods using the following formula,

Formula 1.0

$$\text{Acquirer's Stock Gain or Loss (\%)} - \text{Index Gain or Loss (\%)} = \text{Abnormal Return (\%)}$$

After calculating the abnormal returns, I gathered the acquirer's market caps for each transaction. Then, I created a new variable, "Size of Deal Relative to Market Cap." This variable is a measurement that shows what percentage the M & A deal was relative to the acquirer's market cap. It is calculated using the following formula,

Formula 2.0

$$\text{Acquisition Price/Acquirer Market Cap} = \text{Size of Deal Relative to Market Cap (\%)}$$

I was forced to omit all of the transactions that had a private company as the acquirer, because stock performance was unable to be tracked. This narrowed the number of observations for my experiment from 291 M & A's to 171 M & A's.

Although this is not ideal, 171 M & A's in a single industry throughout 14 business quarters is enough data to conduct a thorough experiment.

IV. INDEPENDENT VARIABLES

For the regression analysis, I chose to include 8 independent variables to help explain the dependent variable, abnormal returns to acquirers. 7 variables are from the Sayer reports, and the last variable is the size of deal relative to the firm's market cap, calculated in Formula 2.0. Below are the rationalizations for choosing each independent variable.

Corporate Transaction VS Asset Transaction

Acquiring an entire corporation is a substantial move for a firm to make. There is immense upside potential when acquiring another corporation. Market share greatly increases, there are several new assets immediately added to the company, and there is new human capital. However, making a transaction this large-scaled can be difficult to organize. Often, there are human capital issues like culture clashes, and people do not understand or accept their new roles in the company.

Many successful businesses build by the slow accumulation of assets one at a time. It is less risky than a corporate deal but offers less immediate upside potential. Comparing *Corporate Transaction* to *Asset Transaction* will determine which method provides superior abnormal returns to M & A's.

This variable will act as a dummy variable in the regression analysis, meaning that all corporate transactions will be regressed as “0” and all assets at “1”. This will directly compare the two against each other.

Paper VS Cash

Previous authors have touched on this aspect of M & A's. DeAngelo, DeAngelo, and Rice made the conclusion that paying for M & A's using stock (paper) is inferior to using cash. Even if the conclusion holds, it is beneficial to see if *Paper VS Cash* plays a larger or smaller role in the oil and gas industry than in other industries.

Percentage of Transaction that is Non-Reserves

This measures if paying for assets other than oil has an affect on the share price. Buying an asset like land leaves room from potential, but the market might interpret this as a less practical purchase than straight oil and gas reserves that are producing.

Cost per Proven + Probable BOE

The *Cost per P + 1/2 P BOE* is the price that acquirers pay for the common unit (BOE) of oil and gas. Therefore, there should be a direct impact on stock performance. If acquirers are paying a very high price for reserves, the market may interpret it as an overpayment and then react by selling the company's shares

around the M & A period. The opposite may happen if the acquirer pays a low amount for BOE's.

Years of Proven + Probable Reserves Remaining

This variable shows how deep the pool of oil is in the purchased assets. It plays a key role in determining the longevity of the assets. Most likely, the market will interpret high years of reserves remaining as a positive aspect of an M & A, which should impact abnormal returns.

Percent Gas

Each pool of reserves is comprised of oil and natural gas. Some are 100% oil, while others are 100% gas. Most commonly, however, it is a combination of both. It is vital to test if the market favors natural gas or oil transactions. The market may value oil-heavy M & A's more than gas-heavy M & A's or vice versa.

Size of Deal Relative to Market Cap

As shown in Formula 2.0, this variable measures how substantial the deal is to the acquirer based on the current size of their company. Some acquirers make very small purchases to slowly increase their asset base. Other acquirers finance massive deals that can more than double the value of their firm. It is vital to include this variable in the experiment to see if the market likes big deals or small deals, relative to a firm's current size.

V. METHODOLOGY

To assess the impact of the independent variables explained above on the dependent variables, abnormal returns, I employed a multiple regression. Table 2.0, below, shows the independent variables used in the experiment and my hypothesis of how each will affect abnormal returns.

Table 2.0

Variable	Hypothesized Effect on Abnormal Return
Corporate	Negative
Asset	Positive
Paper	Negative
Cash	Positive
% of Transaction That is Not Reserves	Negative
Cost per P + 1/2P BOE	Negative
Years of P + 1/2P Reserves Remaining	Positive
% Gas	Negative
Size of Deal Relative to Market Cap	Positive

Since I measured the effects of these variables on abnormal stock returns in three different timeframes, I conducted three separate regressions. Each regression possesses identical independent variables, shown in Table 2.0. The dependent variable is abnormal return, which changes in each regression to accommodate for

the three different timeframes. Table 3.0 shows the formulas used in each regression.

Table 3.0

<p><i>Regression 1:</i></p> $ar_5b = \beta_1(corp_asset^1) + \beta_2(paper) + \beta_3(cash) + \beta_4(_non_r) + \beta_5(cost_boe) + \beta_6(years_boe) + \beta_7(gas) + \beta_8(size_to_mc) + \epsilon_1$
<p><i>Regression 2:</i></p> $ar_2a = \beta_1(corp_asset) + \beta_2(paper) + \beta_3(cash) + \beta_4(_non_r) + \beta_5(cost_boe) + \beta_6(years_boe) + \beta_7(gas) + \beta_8(size_to_mc) + \epsilon_1$
<p><i>Regression 3:</i></p> $ar_90a = \beta_1(corp_asset) + \beta_2(paper) + \beta_3(cash) + \beta_4(_non_r) + \beta_5(cost_boe) + \beta_6(years_boe) + \beta_7(gas) + \beta_8(size_to_mc) + \epsilon_1$
Legend
<p>Dependent Variables:</p> <p>ar_5b: abnormal return, 5 days before public announcement ar_2a: abnormal return, 2 days after public announcement ar_90a: abnormal return, 90 days after public announcement</p>
<p>Independent Variables:</p> <p>corp_asset (0 = asset, 1 = corporate) paper: Acquirers paying with stock cash: Acquirers paying with cash _non_r: Percentage of Transaction that is Non-Reserves cost_boe: Cost per Proven + Probable BOE years_boe: Years of Proven + Probable Reserves Remaining gas: Percent Gas size_to_mc: Size of Deal Relative to Market Cap</p>

¹ corp_asset is a dummy variable where 0 = corporate and 1 = asset.

VI: RESULTS

Table 4.0:

REGRESSION RESULTS			
	AR_5B	AR_2A	AR_90A
Mean	0.021	0.010	0.073
Std. Dev.	0.192	0.115	0.411
Variables	Coefficient	Coefficient	Coefficient
Corp_asset	-1.07	-0.75	-1.52
Paper	0.25	0.35	-0.47
Cash	-1.08	-0.28	-1.00
Non-reserves	0.21	-0.24	0.65
Cost_BOE	2.60***	-0.58	0.91
Years_BOE	-0.88	-1.42	-0.18
Gas	-2.54***	-1.33	-2.04**
Size-to_MC	6.05***	0.24	-1.12
R ²	0.2793	0.0262	0.0737
Adjusted R ²	0.2437	-0.0219	0.0279
F	7.85	0.55	1.61
Observations	171	171	171
*** = p < 0.01, ** = p < 0.05, * = p < 0.10			

Abnormal Return 5 Days Before Announcement (ar_5b)

The regression results showed some significance in this test. Of the 8 independent variables, 3 were very significant: Percent gas (-2.54), cost per P + 1/2P BOE (2.60), and size of the deal relative to market cap (6.05). These variables explained 28% of the variance within the data provided. This indicates that other factors, which were not included, explained about 72% of acquirer abnormal return performance. The average acquirer's stock price increased by 2.1% 5 days prior to

the public announcement. The greatest contributor to this occurrence was from the size of deal relative to the market cap, followed by the cost per P + 1/2P BOE, and the percent of reserves that are gas. From my hypothesis in Table 2.0, only 2 of the 8 independent factors were correct. Since 3 were significant, the remaining 5 were incorrect hypotheses. Of the 3, percent gas and size of deal relative to market cap were correct. The price per p + 1/2p BOE played a positive role, while I estimated would be negative.

Abnormal Return 2 Days After Announcement (ar_2a)

The regression results for this timeframe were highly insignificant. Abnormal returns only increased by 1% 2 days after the public announcement of the M & A, and the 8 independent variables explained a miniscule 2.6% of the variance of abnormal returns. None of the independent variables were statistically significant, making all of my hypotheses incorrect.

Abnormal Return 90 Days After Announcement (ar_90a)

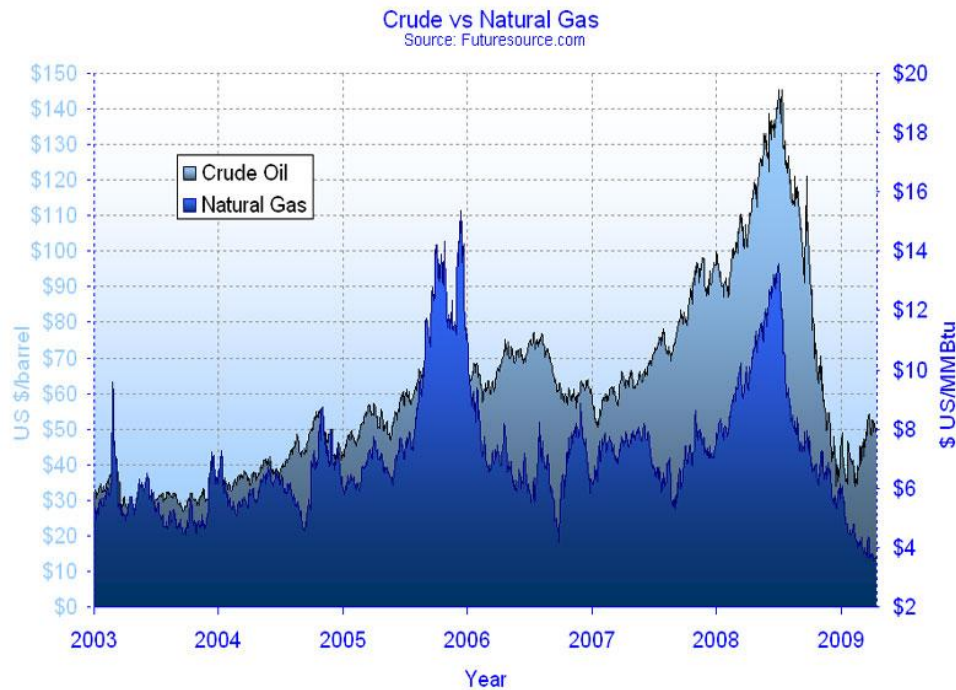
90 days after the announcement, the acquirer stock has had time to develop and see results from the recent M & A. On average, the acquirers' stocks went up by 7.3%. That is a high abnormal return for 90 days and should look attractive to investors. However, the independent variables I used in this experiment did not explain, to a large extent, why the abnormal returns were so great. The only significant variable in this regression was the percent of gas the reserves possessed, which had a t-statistic of -2.04.

VII. EXPLANATIONS

The results seen from the three regressions show that only a handful of variables were significant at specific times. First, the size of the deal relative to market cap was very significant leading up to the announcement. Since no public announcement had been made in this timeframe, the hype of the magnitude of the M & A from information leakage drove up the acquirers' stock prices. As information leaks, people anticipate a massive deal in the making, and therefore, buy shares in hopes to get in early and benefit from the potential upside of the transaction.

The second significant variable in the first regression was the percentage of natural gas in the reserves purchased. The more gas, the worse the stock performed. This is mainly due to the high price of oil. Oil is sold on the market at approximately \$84 dollars per barrel, while natural gas is sold at approximately \$4.50 per mcf (1000 cubic feet). 1 barrel of oil (bbl) produces roughly the same amount of energy as 6 mcfs of natural gas. If averaged out, 1 BOE of pure oil would sell for \$84 while 1 BOE of natural gas (6 mcf) would sell for $(\$4.50 \times 6 \text{ mcf}) = \27 . The M & A's analyzed from the Sayer reports were from 2007 until 2010, when oil reached astronomical prices around \$140 and natural gas acted less volatile. As a result, oil deals were extremely valuable. Figure 3.0 shows how much higher the price of oil has been in recent years versus natural gas.

Figure 3.0



(11)

Another noticeable factor in the first regression was the cost per $P + 1/2P$ BOE. My hypothesis was incorrect. I believed that the higher the price paid for each BOE, the worse the stock would perform. Moreover, I thought that the market would interpret the deal as an overpayment by the acquirer. However, the positive impact that this variable had on abnormal returns 5 days prior to the announcement could be linked to the percentage of natural gas variable. The acquiring companies could be buying reserves that are oil-heavy and, therefore, cost more for each BOE. As a result, the market may have valued the higher price paid for each BOE as positive, driving abnormal returns upward.

The second regression turned out to be extremely insignificant. The mean acquirer abnormal return was only 1% 2 days after the public announcement. One

can rationally assume that this timeframe should encourage share price volatility, because the market would have to revalue the business once it received the details of the transaction. However, since the market only drove prices up by 1% on average, investors may have believed that acquirers bought their assets at the correct price. Otherwise, if they purchased low, the market would drive the price of their shares up to adjust for the increased value to the company. The opposite would happen if the market saw an overpayment in the M & A.

The purpose of the third regression was to allow the market to have enough time to properly value the M & A transaction, while not giving the firm the opportunity to take part in any other significant events that could interfere with abnormal returns. The regression showed that abnormal returns were, on average, a boost of 7.3% to acquirers 90 days after the M & A transaction was made public. Unfortunately, the variables in the model did not explain the cause of this abnormal return increase. The only variable of significance was, once again, the percentage of gas in the reserves purchased. It is extremely difficult to explain why acquirer abnormal returns went up by 7.3% because external variables, which are infinite in possibilities, explain 98% of the model.

VIII: POSSIBLE ISSUES WITH DATA

The three regressions conducted did not sufficiently explain why abnormal returns for acquirers had the calculated results. The data could be improved in two ways. The first improvement would be to add more transactions. The number of observations in the regressions was 171, so adding several hundred more transactions would likely increase the preciseness of the data. Second, the data could be improved by adding other variables. Only 3 variables from the regressions were significant. Moreover, in the ar_2a regression, none of the variables were significant. If independent variables outside of the Sayer Reports were added to the model, the R^2 would undoubtedly improve. It would be difficult to choose the additional variables, because one could look at an infinite number of possibilities.

Another factor to consider with the data could be from the time period it was in. During years 2007 until 2008, the economy was in a severe recession, and in 2009, it was still wounded. This could result in skewed data. In addition, during the recession, the price of oil was higher than ever, which may have strongly affected the regressions, since the heavy oil deals were far superior to gas. Also, the abnormal returns for the acquirers may have been skewed, because people were selling far more often than buying during the above years. Lastly, investor confidence was extremely low, so adding M & A transactions from the early 2000's to the present time would help eliminate this problem.

IX: CONCLUSION

Overall, the results found in the multivariate regressions gave insight into how M & A's affect acquirers' abnormal returns in the oil and gas industry in Alberta. It is clear that the higher oil to natural gas ratio that the purchased reserves possessed, the higher the stock price increased. It appears that none of the other variables were significant enough in the experiment to draw a strong conclusion. This leads one to believe that abnormal returns are affected by other factors. It is commonly known that the stock market is difficult to predict, and these regression results support that theory.

Even though this industry is highly unique in its M & A activity compared to other industries in the world, the acquirer share performance around an M & A is still essentially unaffected. In order to better explain acquirer abnormal returns, more variables would have to be included in the regression analysis. However, it is important to understand that stock markets are highly unpredictable, even with valid data.

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APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production
								Proven	P + 1/2P	
								(\$BOE)	(\$BOE)	(\$BOE/D)
Surge Energy	Corinthian	6/22/10	Corporate	Paper	108.5	100.5	N/A	N/A	23.94	87,421
Legacy Oil + Gas	CanEra Resources	6/15/10	Corporate	Cash	675.1	667.9	N/A	18.49	12.07	124,005
ARC Energy Trust	Storm Exploration	6/9/10	Corporate	Paper	742.7	651.0	27.0%	22.52	15.07	66,015
Angle Energy	Compton Petroleum	6/7/10	Asset	Cash	115.0	110.0	N/A	17.22	13.03	50,000
Emerge Oil & Gas	BlackPearl Resources	6/7/10	Asset	Cash	10.3	8.8	N/A	33.82	26.48	21,900
Undisclosed Buyer	Galleon Energy	6/4/10	Asset	Cash	134.8	128.4	N/A	15.50	8.70	80,053
Chinook Energy	Alberta assets	6/1/10	Asset	Cash	46.3	46.1	N/A	13.07	10.30	38,375
AIMCo	Chinook Energy	5/28/10	Asset	Cash	150.0	130.1	N/A	15.62	10.23	35,598
Yoho Resources	Canoil	5/26/10	Corporate	Cash + Paper	19.8	16.6	N/A	N/A	11.08	33,238
Renegade Petroleum	Sask Assets	5/20/10	Asset	Cash	20.5	18.9	N/A	26.98	17.54	83,833
Northern Blizzard	Nexen	5/19/10	Asset	Cash	975.0	967.4	N/A	22.68	16.26	58,215
Legacy Oil + Gas	Villanova	5/13/10	Corporate	Cash + Paper	124.7	118.6	N/A	N/A	26.36	118,614
Crescent Point	Shelter Bay	5/12/10	Corporate	Paper	1476.0	1236.8	N/A	55.21	32.48	165,462
Paramount Resources	Redcliffe	5/10/10	Corporate	Cash	70.0	38.1	31.3%	26.41	11.64	44,610
Zargon Energy	Alberta assets	5/6/10	Asset	Cash	25.0	24.3	N/A	23.47	16.39	69,457
Storm Ventures	Iteration	5/3/10	Corporate	Cash + Paper	650.0	544.4	8.3%	17.00	10.98	37,224
Undisclosed Buyer	Monterey Assets	4/29/10	Asset	Cash	10.0	10.0	N/A	61.70	21.10	111,111
7515197 Canada et al	Marble Point	4/27/10	Corporate	Cash	139.7	139.7	N/A	30.85	14.74	74,392
Midnight Oil Exploration	Provident	4/20/10	Corporate	Cash + Paper	632.8	593.7	N/A	19.80	12.05	57,037
Bonavista Energy Trust	Suncor	3/24/10	Asset	Cash	228.0	228.0	N/A	14.39	10.39	57,624
Paramount Resources	Crew Energy	3/10/10	Asset	Cash	124.7	124.7	N/A	27.10	17.56	73,983
Paramount Resources	Alberta assets	3/9/10	Asset	Cash	17.3	17.3	N/A	13.51	11.68	16,767
Daylight Energy	West Energy	3/5/10	Corporate	Cash + Paper	553.6	522.4	19.5%	40.11	27.08	158,544
Fortress Energy	Alberta assets	3/4/10	Asset	Cash	170.0	152.1	N/A	8.28	6.71	36,646
Shoreline Energy Fund	Western Canada Energy	2/26/10	Asset	Cash + Paper	6.1	4.0	N/A	8.29	3.92	21,181
Arcan Resources	Celtic	2/19/10	Asset	Cash	53.3	48.1	N/A	33.83	28.48	96,132
Freehold Royalty Trust	AB, BC, SASK assets	2/18/10	Asset	Cash	39.0	39.0	N/A	N/A	27.86	89,655
TriOil Resources	Canext Energy	2/11/10	Corporate	Paper	66.9	59.2	20.4%	16.76	9.02	65,123
Progress Energy Resources	Suncor	2/9/10	Asset	Cash	390.0	371.2	N/A	11.16	8.71	50,849
Novus Energy	Private Company	2/3/10	Corporate	Paper	18.2	7.7	0.0%	N/A	6.69	35,929
Triton Energy Corp	Alberta assets	1/28/10	Asset	Cash	45.0	42.6	N/A	16.11	10.94	37,830
Bellamont Exploration	Standard Energy	1/19/10	Corporate	Cash + Paper	59.7	53.1	?	18.26	10.30	62,456
Clampett Energy	Madison Energy	1/12/10	Corporate	Cash	8.3	3.6	-7.0%	15.30	11.00	64,460
PetroBakken Energy	Berens Energy	1/4/10	Corporate	Cash	348.1	314.6	33.0%	50.69	32.04	79,651
Storm Ventures	Provident	12/23/09	Asset	Cash	190.0	187.6	N/A	17.87	12.85	37,520
TriOil Resources	Second Wave Petroleum	12/21/09	Asset	Cash + Paper	7.6	6.3	N/A	24.32	19.11	48,077
Undisclosed Buyer	Orleans Energy	12/21/09	Asset	Cash	18.2	17.5	N/A	14.52	8.27	39,831
ARC Energy Trust	PetroBakken Energy	12/14/09	Asset	Cash	180.0	169.4	N/A	24.07	13.45	84,700
Artek Exploration Ltd	Rising Sky Energy	12/11/09	Corporate	Paper	10.3	8.3	N/A	5.83	3.06	50,388
Result Energy	Nexstar Energy	12/10/09	Corporate	Paper	49.0	43.4	15.7%	724.00	199.89	248,224
Wild Stream Exploration	Alberta assets and Dorado	11/25/09	Corporate	Paper	37.7	31.1	N/A	N/A	23.89	103,517
Colonia Energy	Duce Oil	11/23/09	Corporate	Cash + Paper	32.3	28.4	N/A	N/A	25.82	59,789
Angle Energy	Stonefire Energy	11/20/09	Corporate	Cash	78.4	72.8	N/A	21.42	11.38	58,386
Crescent Point	TriAxon Resources	11/9/09	Corporate	Paper	271.8	238.5	N/A	30.90	19.45	178,995
West Energy	Talisman Energy	11/5/09	Asset	Cash	147.0	120.0	N/A	22.07	15.26	82,760

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves	Acquiror	Size of Deal	Acquiror	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven	P+1/2P	%	Mkt Cap	Relative to	Mkt Cap	Acquiror	Index	Abnormal Return	Acquiror	Index
	Years	Years	Gas	(At Announce)	Mkt Cap	(\$MM)					
Surge Energy	N/A	10.0	55%	292.7	36%	302.6	-3%	-2%	-1%	-2%	-2%
Legacy Oil + Gas	18.4	28.1	29%	1497.7	49%	1386.9	8%	5%	3%	3%	0%
ARC Energy Trust	8.0	12.0	82%	5657.7	13%	5687.5	-1%	-2%	1%	-2%	-3%
Angle Energy	8.0	10.5	80%	571.9	21%	558.8	2%	-2%	5%	-4%	0%
Emerge Oil & Gas	1.8	2.3	12%	263.4	4%	275.8	-5%	-2%	-2%	0%	0%
Undisclosed Buyer	14.1	25.2	15%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Chinook Energy	8.0	10.2	75%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AIMCo	6.2	9.5	68%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Yoho Resources	N/A	8.2	42%	70.2	26%	75.6	-7%	-2%	-6%	5%	6%
Renegade Petroleum	8.5	13.1	0%	143.8	12%	164.0	-12%	-7%	-6%	-5%	0%
Northern Blizzard	7.0	9.8	8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Legacy Oil + Gas	N/A	12.3	0%	1545.5	8%	1590.8	-3%	2%	-5%	-6%	-4%
Crescent Point	8.2	14.0	8%	10622.4	14%	10521.4	1%	1%	-1%	-5%	-2%
Paramount Resources	4.6	10.5	58%	1258.9	5%	1292.1	-3%	-5%	2%	2%	1%
Zargon Energy	8.1	11.6	23%	469.3	5%	477.7	-2%	-2%	1%	-1%	0%
Storm Ventures	6.0	9.3	68%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	10.4	14.4	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7515197 Canada et al	6.6	13.8	92%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Midnight Oil Exploration	7.9	13.0	57%	456.3	149%	424.3	8%	-1%	8%	-1%	0%
Bonavista Energy Trust	11.0	15.2	87%	3203.1	7%	3371.7	-5%	-3%	-2%	0%	-1%
Paramount Resources	7.5	11.5	81%	1322.9	10%	1299.3	2%	1%	1%	-3%	0%
Paramount Resources	3.4	3.9	100%	1275.8	1%	1299.3	-2%	0%	-2%	1%	1%
Daylight Energy	10.8	22.1	15%	2222.0	24%	2276.6	-2%	3%	-5%	-1%	-1%
Fortress Energy	12.1	15.0	100%	18.3	1098%	15.5	18%	1%	17%	-6%	1%
Shoreline Energy Fund	7.0	14.8	49%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arcan Resources	7.8	9.3	6%	209.8	39%	136.2	54%	3%	51%	0%	-2%
Freehold Royalty Trust	N/A	8.8	60%	938.3	4%	902.7	4%	4%	-1%	1%	-1%
TriOil Resources	10.6	19.8	66%	67.1	111%	60.4	11%	0%	11%	-2%	2%
Progress Energy Resources	12.5	16.0	86%	2974.4	13%	3000.1	-1%	-2%	2%	-3%	0%
Novus Energy	N/A	14.7	78%	156.6	12%	153.1	2%	1%	1%	2%	-3%
Triton Energy Corp	6.4	9.5	67%	11.4	307%	14.7	-22%	-3%	-19%	4%	1%
Bellamont Exploration	10.5	16.6	71%	145.7	47%	126.7	15%	-1%	16%	-5%	-2%
Clampett Energy	11.5	16.0	3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PetroBakken Energy	4.3	6.8	77%	6236.0	6%	6077.5	3%	3%	-1%	1%	1%
Storm Ventures	5.8	8.0	70%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TriOil Resources	5.4	6.9	15%	115.8	11%	70.4	64%	1%	63%	-19%	2%
Undisclosed Buyer	5.7	8.3	56%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ARC Energy Trust	9.6	17.3	72%	5294.2	3%	5319.0	0%	2%	-2%	4%	2%
Artek Exploration Ltd	21.5	45.1	66%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Result Energy	0.9	3.4	23%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wild Stream Exploration	N/A	11.9	30%	174.1	21%	181.3	-4%	-3%	-1%	-3%	-2%
Colonia Energy	N/A	6.3	0%	108.5	33%	96.5	13%	-1%	13%	-7%	1%
Angle Energy	7.5	14.1	71%	403.5	19%	417.4	-3%	0%	-3%	3%	0%
Crescent Point	15.9	25.2	17%	9539.0	3%	9287.3	3%	5%	-3%	2%	-2%
West Energy	10.3	14.9	12%	204.4	67%	219.3	-7%	-1%	-5%	-1%	3%

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Surge Energy	-1%	-13%	-6%	-6%	Zapata Energy turned into Surge Energy.
Legacy Oil + Gas	3%	-7%	-6%	-1%	
ARC Energy Trust	1%	-4%	-1%	-3%	
Angle Energy	-4%	-16%	-1%	-15%	
Emerge Oil & Gas	-1%	-2%	-1%	-1%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Chinook Energy	N/A	N/A	N/A	N/A	Listed its stock on the Toronto Stock Exchange on July 6, 2010.
AIMCo	N/A	N/A	N/A	N/A	AIMCo is a government pension fund.
Yoho Resources	-1%	28%	-1%	29%	
Renegade Petroleum	-6%	-9%	1%	-10%	
Northern Blizzard	N/A	N/A	N/A	N/A	Northern Blizzard Resources is a private company
Legacy Oil + Gas	-2%	-13%	-5%	-8%	
Crescent Point	-2%	-13%	-6%	-7%	
Paramount Resources	1%	1%	0%	1%	
Zargon Energy	-1%	-11%	-1%	-10%	
Storm Ventures	N/A	N/A	N/A	N/A	Storm Ventures International is a private company.
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
7515197 Canada et al	N/A	N/A	N/A	N/A	3 Companies purchased Marble Point
Midnight Oil Exploration	-1%	-35%	-4%	-32%	Merged into Pace Oil Gas
Bonavista Energy Trust	1%	0%	1%	-1%	
Paramount Resources	-3%	2%	-2%	4%	Changed to Perpetual Energy.
Paramount Resources	0%	4%	-5%	9%	Changed to Perpetual Energy.
Daylight Energy	0%	-4%	-3%	-1%	
Fortress Energy	-7%	-45%	-1%	-44%	
Shoreline Energy Fund	N/A	N/A	N/A	N/A	Private company, no stock information available
Arcan Resources	2%	40%	-5%	45%	
Freehold Royalty Trust	2%	3%	-5%	7%	
TriOil Resources	-4%	-15%	1%	-16%	Changed from One Exploration to TriOil Resources.
Progress Energy Resources	-3%	9%	1%	8%	
Novus Energy	5%	22%	5%	17%	
Triton Energy Corp	2%	-29%	4%	-33%	Bought out Waldron Energy in June, 2010 and changed name to Waldron Energy.
Bellamont Exploration	-3%	-26%	-2%	-24%	
Clampett Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
PetroBakken Energy	0%	-9%	-1%	-8%	
Storm Ventures	N/A	N/A	N/A	N/A	Storm Ventures International is a private company.
TriOil Resources	-21%	-18%	-3%	-15%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
ARC Energy Trust	2%	14%	1%	13%	
Artek Exploration Ltd	N/A	N/A	N/A	N/A	Can't find stock prices between Nov, 09 and Jan, 10.
Result Energy	N/A	N/A	N/A	N/A	Private company until purchased by PetroBakken.
Wild Stream Exploration	-1%	22%	-3%	25%	
Colonia Energy	-8%	54%	-2%	56%	Name change to Renegade Petroleum
Angle Energy	3%	49%	0%	49%	
Crescent Point	4%	1%	-6%	7%	
West Energy	-4%	62%	-3%	65%	

APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production
								Proven	P + 1/2P	
								(\$BOE)	(\$BOE)	(\$BOE/D)
Bellamont Exploration	Storm Exploration	11/4/09	Asset	Cash + Paper	17.3	16.8	N/A	22.31	14.65	79,912
WestFire Energy	Action Energy	11/3/09	Asset	Cash	30.0	24.3	N/A	25.88	12.82	38,880
WestFire Energy	Exceed Energy	11/3/09	Corporate	Paper	6.7	6.0	-37.4%	24.09	16.06	57,763
Emerge Oil & Gas	Provident	10/28/09	Asset	Cash + Paper	87.0	86.1	N/A	36.82	20.18	37,450
Korea National Oil Corp	Harvest Energy Trust	10/21/09	Corporate	Cash	4371.0	2844.9	36.8%	19.97	13.56	56,482
Legacy Oil + Gas	Athena Resources	10/20/09	Asset	Cash + Paper	56.2	51.8	N/A	44.69	22.52	74,825
Strategic Oil & Gas	Legacy Oil + Gas	10/16/09	Asset	Cash + Paper	5.1	4.9	N/A	14.31	11.44	34,643
Wild Stream Exploration	Bonterra Oil & Gas	10/15/09	Asset	Cash + Paper	31.7	21.7	N/A	18.40	16.12	99,507
Open Range Energy	Alberta assets	10/13/09	Asset	Cash	60.0	58.8	N/A	16.54	10.12	51,117
Southern Pacific Resource	EnCana	10/9/09	Asset	Cash	110.0	89.0	N/A	15.28	9.76	17,451
Undisclosed Buyer	Compton Petroleum	9/28/09	Asset	Cash	47.5	45.6	N/A	14.91	8.58	85,030
Midway Energy	Sifton Energy	9/14/09	Corporate	Cash	22.7	22.3	N/A	29.60	25.11	143,722
Molopo Australia	Brink Energy	8/31/09	Corporate	Cash + Paper	15.8	11.9	N/A	36.34	19.36	132,493
Midway Energy	SunOcean Energy	8/31/09	Asset	Cash	8.1	7.8	N/A	22.74	18.84	63,714
Hawk Exploration	Provident	8/28/09	Asset	Cash	13.0	12.9	N/A	24.37	16.15	37,134
Crescent Point	Provident	8/24/09	Asset	Cash	225.0	214.0	N/A	30.99	21.16	58,689
Crescent Point	Wave Energy	8/24/09	Corporate	Paper	682.2	654.9	N/A	75.28	37.21	218,302
Daylight Energy	Highpine Oil & Gas	8/23/09	Corporate	Cash + Paper	567.3	372.8	22.3%	16.19	9.42	22,165
Delphi Energy	Fairmount Energy	8/21/09	Corporate	Paper	16.4	14.5	-10.7%	17.08	9.23	60,069
Buffalo Resources	Alberta assets	8/18/09	Asset	Cash	7.7	7.7	N/A	8.02	5.81	25,667
Cequence Energy	Alberta assets	8/18/09	Asset	Cash	17.3	13.6	N/A	6.14	4.03	16,019
Twin Butte Energy	Buffalo Resources	8/18/09	Corporate	Paper	127.5	107.0	14.6%	8.02	4.79	35,519
Undisclosed Buyer	Winstar Resources	8/11/09	Asset	Cash	9.5	6.9	N/A	12.34	7.54	23,798
OMERS Energy & Superman I	Iteration	8/5/09	Asset	Cash	35.0	34.3	N/A	17.78	13.12	44,394
Delphi Energy	Talisman Energy	8/4/09	Asset	Cash	11.8	10.8	N/A	12.81	7.55	27,000
Petrobank Energy	TriStar Oil & Gas	8/4/09	Corporate	Cash + Paper	3156.4	3025.4	56.8%	44.34	28.20	148,297
Undisclosed Buyer	Delphi Energy	8/4/09	Asset	Cash	7.2	6.5	N/A	11.62	6.85	24,500
Zargon Energy	Churchill Energy	7/28/09	Corporate	Cash + Paper	22.3	16.2	111.2%	14.40	7.99	43,956
Glamis Resources	Bonavista Energy Trust	7/23/09	Asset	Cash + Paper	98.1	93.0	N/A	29.65	18.56	94,697
Glamis Resources	Medora Resources	7/23/09	Corporate	Paper	198.2	173.9	N/A	49.77	31.53	109,358
Glamis Resources	Renegade Oil & Gas	7/23/09	Corporate	Paper	86.0	78.1	N/A	66.12	38.16	111,797
Bonavista Energy Trust	EnCana	7/16/09	Asset	Cash	698.0	684.4	N/A	18.32	12.31	60,035
Baytex Energy Trust	True Energy Trust	7/8/09	Asset	Cash	93.0	86.7	N/A	9.42	8.50	28,890
NuLoch Resources	Wilderness Energy	7/2/09	Corporate	Paper	6.3	3.9	N/A	14.10	7.02	19,619
Sure Energy	Conifer Exploration	6/29/09	Corporate	Cash + Paper	9.5	5.0	N/A	8.97	5.15	24,105
Avenir Diversified Income Trust	Ridgeback Exploration	6/22/09	Corporate	Cash	22.5	20.1	N/A	11.24	5.60	30,460
Twin Butte Energy	Can-Able Energy	6/22/09	Corporate	Paper	10.2	9.7	N/A	6.52	4.35	38,661
Harvest Energy	Pegasus Oil & Gas	6/15/09	Corporate	Paper	25.0	19.6	N/A	7.49	4.53	27,900
NuVista Energy	Advantage Energy Income F	6/15/09	Asset	Cash	176.0	161.8	N/A	11.98	8.03	26,478
Terra Energy	Advantage Energy Income F	6/15/09	Asset	Cash	76.6	72.0	N/A	11.62	8.45	30,152
Insignia Energy	Grey Wolf Exploration	6/3/09	Corporate	Paper	106.6	91.6	56.4%	13.22	6.60	35,976
Undisclosed Buyer	Twin Butte Energy	6/3/09	Asset	Cash	9.9	6.4	N/A	16.62	13.31	182,857
Painted Pony Petroleum	TriAxon Energy	5/26/09	Asset	Cash	10.0	9.7	N/A	23.33	11.73	65,264
Undisclosed Buyer	ProspEx Resources	5/25/09	Asset	Cash	28.0	27.4	N/A	11.67	7.74	36,533
Seaview Energy	Alberta assets	5/22/09	Asset	Cash	26.5	25.5	N/A	22.82	14.45	34,973
Angle Energy	Crew Energy	5/12/09	Asset	Cash	22.5	22.2	N/A	28.39	20.71	40,300

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves	Acquiror	Size of Deal	Acquiror	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven	P+1/2P	%	Mkt Cap	Relative to	Mkt Cap	Acquiror	Index	Abnormal Return	Acquiror	Index
	Years	Years	Gas	(At Announce)	Mkt Cap	(SMM)					
Bellamont Exploration	9.8	14.9	10%	91.5	18%	95.7	-4%	0%	-5%	5%	1%
WestFire Energy	4.1	8.3	40%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WestFire Energy	6.6	9.9	63%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emerge Oil & Gas	2.8	5.1	2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Korea National Oil Corp	7.7	11.3	26%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Legacy Oil + Gas	4.6	9.1	4%	1283.8	4%	1306.4	-2%	2%	-4%	-1%	0%
Strategic Oil & Gas	6.6	8.3	0%	36.6	15%	34.1	7%	4%	3%	-5%	0%
Wild Stream Exploration	14.8	16.9	0%	138.9	14%	222.5	-38%	8%	-45%	63%	0%
Open Range Energy	8.5	13.8	88%	114.4	55%	109.1	5%	7%	-2%	11%	3%
Southern Pacific Resource	3.1	4.9	0%	210.4	58%	190.4	11%	7%	4%	-8%	4%
Undisclosed Buyer	15.6	27.1	85%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Midway Energy	13.3	15.7	28%	99.5	25%	91.1	9%	9%	0%	-5%	3%
Molopo Australia	10.0	18.8	0%	293.1	6%	247.9	18%	-3%	21%	-6%	-3%
Midway Energy	7.7	9.3	17%	78.2	12%	68.1	15%	-3%	18%	17%	-3%
Hawk Exploration	4.2	6.3	10%	31.9	48%	27.0	18%	0%	18%	7%	-4%
Crescent Point	5.2	7.6	18%	8833.1	3%	8618.5	2%	4%	-2%	6%	-1%
Crescent Point	7.9	16.1	10%	8833.1	8%	8618.5	2%	4%	-2%	6%	-1%
Daylight Energy	3.8	6.4	42%	1652.6	34%	1687.1	-2%	4%	-6%	-1%	-1%
Delphi Energy	9.6	17.8	62%	112.7	14%	121.7	-7%	0%	-8%	16%	0%
Buffalo Resources	8.8	12.1	35%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cequence Energy	7.2	10.9	93%	592.0	3%	657.8	-10%	1%	-11%	-6%	0%
Twin Butte Energy	12.1	20.3	74%	116.6	117%	109.0	7%	1%	6%	-8%	0%
Undisclosed Buyer	5.3	8.6	54%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OMERS Energy & Superman I	6.8	9.3	75%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Delphi Energy	5.8	9.8	77%	132.5	9%	126.2	5%	2%	3%	4%	-2%
Petrobank Energy	9.2	14.4	19%	3627.9	86%	3682.2	-1%	2%	-3%	9%	-2%
Undisclosed Buyer	5.8	9.8	77%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Zargon Energy	8.4	15.1	38%	396.7	6%	378.7	5%	-1%	6%	1%	0%
Glamis Resources	8.8	14.0	0%	84.8	262%	37.5	126%	6%	121%	15%	-1%
Glamis Resources	6.0	9.5	6%	84.8	528%	37.5	126%	6%	121%	15%	-1%
Glamis Resources	4.6	8.0	3%	84.8	229%	37.5	126%	6%	121%	15%	-1%
Bonavista Energy Trust	9.0	13.4	79%	2333.6	31%	2272.3	3%	6%	-3%	-4%	4%
Baytex Energy Trust	8.4	9.3	12%	2063.7	4%	2216.6	-7%	-11%	4%	7%	2%
NuLoch Resources	3.8	7.7	54%	38.4	16%	39.9	-4%	0%	-4%	25%	-4%
Sure Energy	7.4	12.8	57%	13.1	66%	14.5	-10%	8%	-17%	14%	-4%
Avenir Diversified Income Trus	7.4	14.9	46%	159.6	14%	155.3	3%	-10%	13%	-1%	3%
Twin Butte Energy	16.3	24.4	83%	121.8	8%	130.8	-7%	-10%	3%	-13%	3%
Harvest Energy	10.2	16.9	85%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NuVista Energy	6.1	9.0	84%	998.1	18%	966.2	3%	0%	3%	-5%	-6%
Terra Energy	7.1	9.8	51%	137.2	49%	155.9	-12%	0%	-12%	-9%	-6%
Insignia Energy	7.5	14.9	80%	105.8	103%	103.9	2%	0%	1%	-14%	4%
Undisclosed Buyer	30.1	37.7	83%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Painted Pony Petroleum	7.7	15.3	0%	150.3	7%	143.1	5%	1%	4%	18%	4%
Undisclosed Buyer	8.6	12.9	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Seaview Energy	4.2	6.6	90%	72.0	39%	68.1	6%	2%	4%	-4%	2%
Angle Energy	3.9	5.3	64%	319.4	8%	284.9	12%	6%	6%	-2%	-4%

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Bellamont Exploration	3%	23%	-1%	25%	
WestFire Energy	N/A	N/A	N/A	N/A	N/A Commenced trading on December 24th, 2010
WestFire Energy	N/A	N/A	N/A	N/A	N/A Commenced trading on December 24th, 2010
Emerge Oil & Gas	N/A	N/A	N/A	N/A	N/A Commenced trading on January 25th, 2010
Korea National Oil Corp	N/A	N/A	N/A	N/A	N/A Private company, no stock information available
Legacy Oil + Gas	0%	-3%	-3%	0%	
Strategic Oil & Gas	-5%	22%	-3%	25%	
Wild Stream Exploration	63%	382%	-4%	386%	
Open Range Energy	8%	21%	0%	21%	
Southern Pacific Resource	-12%	44%	2%	43%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Midway Energy	-8%	131%	0%	131%	
Molopo Australia	-3%	32%	9%	23%	
Midway Energy	20%	72%	9%	63%	
Hawk Exploration	10%	3%	7%	-4%	Insufficient stock information.
Crescent Point	7%	12%	7%	5%	Difficult to compare. 2 different types of deals on the same day
Crescent Point	7%	12%	7%	5%	Difficult to compare. 2 different types of deals on the same day
Daylight Energy	0%	12%	7%	5%	
Delphi Energy	16%	64%	8%	56%	
Buffalo Resources	N/A	N/A	N/A	N/A	N/A Private company, no stock information available
Cequence Energy	-6%	-34%	11%	-45%	
Twin Butte Energy	-8%	7%	11%	-5%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
OMERS Energy & Superman I	N/A	N/A	N/A	N/A	N/A Private company, no stock information available
Delphi Energy	5%	46%	5%	42%	Sold assets to undisclosed buyer on the same day. May affect stock price as well.
Petrobank Energy	11%	44%	5%	39%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	
Zargon Energy	1%	6%	8%	-2%	
Glamis Resources	16%	26%	11%	14%	Changed name to Legacy Oil + Gas
Glamis Resources	16%	26%	11%	14%	Changed name to Legacy Oil + Gas
Glamis Resources	16%	26%	11%	14%	Changed name to Legacy Oil + Gas
Bonavista Energy Trust	-8%	32%	21%	12%	
Baytex Energy Trust	5%	38%	25%	12%	
NuLoch Resources	29%	55%	9%	46%	Not exact dates of stock prices, but very close.
Sure Energy	18%	54%	9%	45%	
Avenir Diversified Income Trus	-4%	32%	20%	12%	
Twin Butte Energy	-16%	-1%	20%	-21%	
Harvest Energy	N/A	N/A	N/A	N/A	The trust was delisted from the TSX and the New York Stock Exchange in December 2009
NuVista Energy	1%	4%	6%	-2%	
Terra Energy	-3%	-1%	6%	-8%	
Insignia Energy	-18%	-48%	-3%	-45%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	
Painted Pony Petroleum	15%	51%	0%	50%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Seaview Energy	-6%	-1%	3%	-4%	
Angle Energy	2%	-7%	-1%	-6%	

APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production
								Proven	P + 1/2P	
								(\$BOE)	(\$BOE)	(\$BOE/D)
Crescent Point	Gibraltar Point Energy Trust	5/7/09	Corporate	Paper	199.7	196.1	N/A	28.38	20.57	82,288
Crescent Point	Wild River Resources	5/7/09	Corporate	Paper	170.4	146.2	N/A	41.83	23.47	73,483
Shelter Bay Energy	Crescent Point	5/7/09	Asset	Cash	81.3	79.0	N/A	29.24	19.26	78,964
Daylight Energy	Intrepid Energy	4/27/09	Corporate	Cash + Paper	112.5	104.5	N/A	22.24	15.15	34,845
Bonterra Oil & Gas	Cobalt Energy	4/13/09	Corporate	Paper	7.3	6.7	N/A	29.65	8.92	63,879
Paramount Resources	Profound Energy	3/31/09	Corporate	Cash + Paper	119.4	93.1	N/A	11.56	7.74	32,790
Suncor Energy	Petro-Canada	3/23/09	Corporate	Paper	27661.5	16637.1	33.4%	11.97	N/A	68,767
NAL Oil & Gas Trust	Alberta Clipper Energy	3/23/09	Corporate	Paper	128.5	106.5	-3.7%	16.60	9.86	33,611
Penn West Energy Trust	Reece Energy Exploration	3/10/09	Corporate	Paper	86.6	79.3	25.1%	20.42	12.31	42,423
Crescent Point	Talisman Energy	3/4/09	Asset	Cash	324.5	279.5	N/A	19.10	13.26	69,875
Shelter Bay Energy	Crescent Point & TriStar	3/4/09	Asset	Cash	71.0	70.2	N/A	29.09	20.07	140,464
TriStar Oil & Gas	Private Company	3/4/09	Corporate	Cash + Paper	29.6	26.6	N/A	21.39	13.05	48,272
TriStar Oil & Gas	Talisman Energy	3/4/09	Asset	Cash	324.5	279.5	N/A	19.10	13.26	69,875
Zargon Energy	Masters Energy	3/2/09	Corporate	Cash + Paper	48.0	37.4	48.7%	13.82	5.11	28,156
Polar Star Canadian Oil & Gas	TUSK Energy	2/10/09	Corporate	Cash	277.0	253.5	N/A	24.01	15.62	41,684
Emergo Energy	Ivory Energy	2/5/09	Corporate	Cash	29.8	28.0	-16.0%	18.02	7.45	31,830
Churchill Energy	Welton Energy	12/16/08	Corporate	Paper	11.2	4.7	-83.1%	5.53	2.74	15,670
NuVista Energy	AB and SASK assets	12/12/08	Asset	Cash	53.0	53.0	N/A	15.14	11.04	33,125
Crescent Point	Villanova	12/8/08	Corporate	Paper	110.6	104.1	N/A	34.68	20.40	59,457
Undisclosed Buyer	Villanova	12/5/08	Asset	Cash	6.7	6.6	N/A	31.64	17.01	75,287
Daylight Energy	Alberta assets	11/26/08	Asset	Cash	64.5	61.6	N/A	19.06	15.23	61,609
ProEx Energy	Progress Energy	11/17/08	Corporate	Paper	1696.9	1618.8	13.2%	26.34	18.15	65,320
Vero Energy	Private Company	10/29/08	Corporate	Paper	27.7	26.1	N/A	18.17	12.72	32,597
Newcast Energy	Sonoma Resources	10/27/08	Corporate	Paper	10.2	6.0	N/A	31.14	18.25	48,544
Vero Energy	Private Company	10/21/08	Corporate	Paper	27.7	26.1	N/A	18.17	12.72	32,597
Daylight Energy	Midnight Oil Exploration	10/21/08	Asset	Paper	29.6	29.2	N/A	20.03	14.11	53,098
One Exploration	Cruiser Oil & Gas	9/24/08	Corporate	Paper	18.0	11.3	8.8%	17.37	9.21	104,990
Seven Generations Energy	Samson Exploration	9/8/08	Asset	Cash	150.0	147.6	N/A	38.22	23.72	58,505
Great Plains Exploration	BC assets	9/4/08	Asset	Cash	6.0	2.0	N/A	5.15	3.92	5,882
Buffalo Resources	Nytis Exploration	9/4/08	Asset	Cash	6.8	6.8	N/A	4.96	4.29	56,745
Twoco Petroleums	Mahalo Energy	9/2/08	Asset	Cash	12.5	11.6	N/A	17.99	11.81	23,272
Pengrowth Energy Trust	Fairmount Energy	8/22/08	Asset	Cash	12.0	11.9	N/A	22.51	13.54	72,185
Bonterra Oil & Gas	Silverwing Energy	8/15/08	Corporate	Cash + Paper	38.4	38.0	N/A	31.49	16.91	57,776
Harvest Energy	Greenfield Resources	8/11/08	Corporate	Cash	36.5	36.5	N/A	33.18	19.21	45,625
Arsenal Energy	GEOCAN Energy	8/7/08	Corporate	Cash + Paper	63.0	48.8	N/A	20.50	13.81	53,244
Barrick Gold Corp	Daylight Energy	8/6/08	Asset	Cash	87.5	85.0	N/A	42.89	21.29	89,474
Undisclosed Buyer	Sabertooth Energy	7/28/08	Asset	Cash	22.5	17.5	N/A	16.77	12.23	27,146
Reece Energy Exploration	Sask Assets	7/25/08	Asset	Cash	5.8	5.8	N/A	37.10	29.06	115,000
Pengrowth Energy Trust	Accrete Energy	7/23/08	Corporate	Paper	116.7	111.8	22.6%	19.99	13.47	69,960
Barrick Gold Corp	Cadence Energy	7/17/08	Corporate	Cash	525.4	411.4	24.1%	32.46	23.44	118,790
Golden Oil	Kootenay Energy	7/17/08	Corporate	Cash	31.9	30.1	N/A	27.35	16.77	85,849
Royal Dutch Shell	Duvernay Oil	7/14/08	Corporate	Cash	6072.6	5709.5	42.0%	62.49	39.76	223,164
Daylight Energy	Athlone Energy	7/10/08	Corporate	Cash	39.2	34.1	13.3%	35.91	21.30	51,545
Freehold Royalty Trust	Paramount Resources	7/7/08	Asset	Cash	8.5	8.5	N/A	50.60	42.13	114,094
Ember Resources	Cordero Energy	7/4/08	Corporate	Cash + Paper	301.5	253.4	16.0%	24.36	15.76	72,520
Monterey Exploration	Upper Lake Oil & Gas	7/3/08	Corporate	Paper	34.1	20.7	8.3%	28.44	18.10	23,429

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves	Acquiror	Size of Deal	Acquiror	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven	P+1/2P	%	Mkt Cap	Relative to	Mkt Cap	Acquiror	Index	Abnormal Return	Acquiror	Index
	Years	Years	Gas	(At Announce)	Mkt Cap	(SMM)					
Crescent Point	7.9	11.0	33%	7816.0	3%	7243.1	8%	11%	-3%	-5%	2%
Crescent Point	4.8	8.6	28%	7816.0	2%	7243.1	8%	11%	-3%	-5%	2%
Shelter Bay Energy	7.4	11.2	12%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Daylight Energy	4.3	6.3	94%	1505.1	8%	1453.4	4%	4%	-1%	-3%	1%
Bonterra Oil & Gas	5.9	19.6	38%	305.1	2%	294.6	4%	4%	0%	1%	-3%
Paramount Resources	7.8	11.6	70%	365.2	31%	388.3	-6%	-3%	-3%	9%	7%
Suncor Energy	15.7	N/A	20%	48099.5	54%	51382.9	-6%	9%	-16%	-8%	-4%
NAL Oil & Gas Trust	5.5	9.3	62%	986.7	14%	947.3	4%	9%	-5%	-2%	-4%
Penn West Energy Trust	5.7	9.4	32%	4214.7	2%	4997.8	-16%	11%	-27%	8%	5%
Crescent Point	10.0	14.4	2%	6102.4	6%	5600.2	9%	3%	6%	0%	-2%
Shelter Bay Energy	13.7	19.2	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TriStar Oil & Gas	6.2	10.1	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TriStar Oil & Gas	10.0	14.4	2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Zargon Energy	5.6	15.1	31%	348.0	14%	351.1	-1%	-2%	1%	-8%	7%
Polar Star Canadian Oil & Gas	4.8	7.3	71%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emergo Energy	7.0	11.7	34%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Churchill Energy	7.8	15.7	54%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NuVista Energy	6.0	8.2	78%	607.2	8%	664.8	-9%	11%	-20%	24%	4%
Crescent Point	4.7	8.0	0%	5461.0	2%	6675.3	-18%	-2%	-16%	16%	6%
Undisclosed Buyer	6.5	12.1	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Daylight Energy	8.9	11.1	90%	1522.6	4%	1595.6	-5%	10%	-14%	10%	8%
ProEx Energy	6.8	9.9	86%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vero Energy	4.9	7.0	85%	232.4	11%	260.2	-11%	10%	-20%	25%	5%
Newcast Energy	4.3	7.3	90%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vero Energy	4.9	7.0	85%	213.7	12%	239.3	-11%	5%	-15%	25%	-6%
Daylight Energy	7.3	10.3	85%	1477.8	2%	1487.9	-1%	5%	-5%	-2%	-6%
One Exploration	16.6	31.3	67%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Seven Generations Energy	4.2	6.8	83%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Great Plains Exploration	3.1	4.1	100%	64.9	9%	70.4	-8%	-9%	1%	2%	-3%
Buffalo Resources	31.3	36.2	81%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Twoco Petroleum	3.5	5.4	100%	155.6	7%	175.9	-12%	-4%	-7%	-8%	-5%
Pengrowth Energy Trust	8.8	14.6	53%	5357.7	0%	5258.5	2%	7%	-5%	2%	1%
Bonterra Oil & Gas	5.0	9.4	94%	596.0	6%	619.1	-4%	-1%	-3%	15%	2%
Harvest Energy	3.8	6.5	60%	2996.1	1%	2970.1	1%	-5%	6%	1%	4%
Arsenal Energy	7.1	10.6	49%	114.4	54%	115.8	-1%	-3%	2%	-18%	-4%
Barrick Gold Corp	5.7	11.5	19%	38880.7	0%	44050.0	-12%	1%	-13%	-11%	-3%
Undisclosed Buyer	4.4	6.1	60%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reece Energy Exploration	8.5	10.9	13%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pengrowth Energy Trust	9.6	14.2	54%	5319.7	2%	5465.5	-3%	-6%	4%	-1%	1%
Barrick Gold Corp	10.0	13.9	26%	44425.3	1%	45341.2	-2%	-6%	4%	0%	1%
Golden Oil	8.6	14.0	10%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Royal Dutch Shell	9.8	15.4	90%	136941.1	4%	142961.2	-4%	4%	-8%	-7%	-6%
Daylight Energy	3.9	6.6	3%	2334.0	2%	2479.9	-6%	0%	-6%	13%	3%
Freehold Royalty Trust	6.2	7.4	44%	1416.8	1%	1374.5	3%	-7%	10%	1%	-3%
Ember Resources	8.2	12.6	97%	317.2	76%	395.1	-20%	-2%	-18%	0%	-5%
Monterey Exploration	2.3	3.5	71%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Crescent Point	-8%	14%	2%	12%	
Crescent Point	-8%	14%	2%	12%	
Shelter Bay Energy	N/A	N/A	N/A	N/A	Crescent Point ends up buying Shelter Bay in May, 2010.
Daylight Energy	-4%	7%	12%	-5%	
Bonterra Oil & Gas	4%	34%	1%	33%	
Paramount Resources	2%	45%	22%	22%	
Suncor Energy	-4%	8%	8%	0%	
NAL Oil & Gas Trust	2%	41%	8%	33%	
Penn West Energy Trust	3%	39%	40%	-1%	
Crescent Point	2%	43%	42%	0%	
Shelter Bay Energy	N/A	N/A	N/A	N/A	Crescent Point ends up buying Shelter Bay in May, 2010.
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
Zargon Energy	-14%	6%	55%	-50%	
Polar Star Canadian Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
Emergo Energy	N/A	N/A	N/A	N/A	Started trading on the TSX in January, 2010 as Emerge Oil & Gas.
Churchill Energy	N/A	N/A	N/A	N/A	Acquired by Zargon in September, 2009. No stock information available.
NuVista Energy	20%	-17%	-2%	-15%	
Crescent Point	11%	12%	7%	5%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Daylight Energy	2%	-9%	-13%	4%	
ProEx Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Vero Energy	21%	-23%	-14%	-9%	
Newcast Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Vero Energy	31%	-23%	-13%	-10%	
Daylight Energy	4%	12%	-13%	25%	
One Exploration	N/A	N/A	N/A	N/A	Changed name to TriOil, insufficient stock information available.
Seven Generations Energy	N/A	N/A	N/A	N/A	Could not find any information on company.
Great Plains Exploration	5%	-53%	-46%	-8%	
Buffalo Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Twoco Petroleums	-3%	-61%	-43%	-19%	
Pengrowth Energy Trust	2%	-39%	-48%	9%	
Bonterra Oil & Gas	12%	-17%	-40%	24%	
Harvest Energy	-3%	-47%	-37%	-10%	Trust was purchased by Korean National Oil Corp in 09. Mkt Cap is a close approximation.
Arsenal Energy	-14%	-64%	-38%	-26%	
Barrick Gold Corp	-9%	-30%	-38%	8%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Reece Energy Exploration	N/A	N/A	N/A	N/A	Private company, no stock information available
Pengrowth Energy Trust	-2%	-25%	-39%	13%	
Barrick Gold Corp	-1%	-42%	-42%	0%	
Golden Oil	N/A	N/A	N/A	N/A	Korean company. No stock information.
Royal Dutch Shell	-1%	-33%	-45%	12%	
Daylight Energy	9%	-35%	-43%	9%	
Freehold Royalty Trust	4%	1%	-43%	44%	
Ember Resources	5%	-70%	-38%	-32%	
Monterey Exploration	N/A	N/A	N/A	N/A	Owned partially by Pengrowth, then Pengrowth purchased remainder of company.

APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production (\$BOE/D)
								Proven (\$BOE)	P + 1/2P (\$BOE)	
Delphi Energy	Compton Petroleum	6/26/08	Asset	Cash	38.5	35.0	N/A	29.17	21.88	53,846
Harvest Energy	Compton Petroleum	6/25/08	Asset	Cash	136.0	134.2	N/A	18.48	13.56	66,252
Undisclosed Buyer	Compton Petroleum	6/25/08	Asset	Cash	179.5	166.0	N/A	21.64	15.24	54,716
Crew Energy	Gentry Resources	6/23/08	Corporate	Paper	328.4	237.8	20.3%	33.54	19.48	61,585
Seaview Energy	C3 Resources	6/19/08	Corporate	Cash + Paper	43.5	40.7	N/A	40.66	29.04	77,444
Alberta Clipper Energy	Escavar Energy	6/16/08	Corporate	Cash + Paper	35.3	19.3	N/A	16.88	11.57	48,335
Daylight Energy	Cadence Energy	5/26/08	Corporate	Cash + Paper	404.4	314.8	N/A	24.24	17.62	76,186
Undisclosed Buyer	Canext Energy	5/26/08	Asset	Cash	6.8	6.8	N/A	40.00	19.43	30,909
Seaview Energy	Progress Energy	5/23/08	Asset	Cash + Paper	29.5	29.2	N/A	40.22	33.11	108,311
Undisclosed Buyer	Churchill Energy	5/22/08	Asset	Cash	14.3	13.6	N/A	19.62	10.37	82,410
Penn West Energy Trust	Endev Energy	5/21/08	Corporate	Paper	194.4	172.7	18.5%	27.47	18.47	49,292
Accrete Energy	ProspEx Resources	5/8/08	Asset	Cash	5.6	5.3	N/A	17.59	13.89	48,491
Undisclosed Buyer	Murphy Oil	5/2/08	Asset	Cash	143.7	142.0	N/A	35.50	26.80	46,562
Spry Energy	Calgas Exploration	5/1/08	Corporate	Cash	35.0	32.5	N/A	19.11	12.99	53,872
Undisclosed Buyer	Profound Energy	5/1/08	Asset	Cash	11.4	11.2	N/A	18.43	12.84	44,294
Canadian Natural Resources	Talisman Energy	4/30/08	Asset	Cash	250.0	238.0	N/A	24.77	17.00	52,889
Matco Capital	Piper Resources	4/30/08	Asset	Cash	50.9	48.3	N/A	24.57	14.78	69,947
Fairborne Energy	Grand Banks Energy	4/28/08	Corporate	Cash	118.8	108.6	9.4%	38.55	22.62	74,656
Undisclosed Buyer	Voyager Energy	4/25/08	Asset	Cash	26.4	25.7	N/A	45.97	25.13	38,784
Husky Energy	Pearl Exploration & Productic	4/24/08	Asset	Cash	75.0	71.0	N/A	23.44	13.83	22,178
Marble Point Energy	Result Energy	4/17/08	Asset	Cash	11.8	11.8	N/A	12.40	7.91	47,200
Marble Point Energy	True Energy Trust	4/17/08	Asset	Cash	40.0	32.3	N/A	14.68	11.35	43,066
Direct Energy Marketing	TransGlobe Energy	4/16/08	Asset	Cash	56.7	51.7	N/A	20.64	13.55	34,367
Vero Energy	Dorian Energy	4/13/08	Corporate	Paper	15.6	13.9	N/A	37.55	23.07	24,544
TriAxon Resources	Longbow Resources	4/10/08	Corporate	Cash	42.7	39.0	45.8%	16.31	10.78	90,889
Baytex Energy Trust	Burmis Energy	4/9/08	Corporate	Paper	190.5	174.0	13.4%	28.27	18.97	45,896
Yoho Resources	Vision 2000 Exploration	4/2/08	Corporate	Cash + Paper	9.8	7.3	N/A	18.98	12.10	26,651
Jarrold Oils	Eagle Rock Exploration	3/31/08	Corporate	Cash	6.9	6.9	N/A	18.40	11.98	50,963
WestFire Energy	K-Town Energy	3/20/08	Corporate	Cash	31.6	31.6	N/A	16.18	9.80	37,176
Painted Pony Petroleum	Crescent Point	3/18/08	Asset	Cash + Paper	20.5	16.5	N/A	16.59	10.47	36,000
Celtic Exploration	ExxonMobil Canada Energy	3/17/08	Asset	Cash	45.2	45.2	N/A	15.84	10.35	52,194
Regal Energy	G2 Resources	3/14/08	Corporate	Paper	26.2	11.5	16.1%	15.17	8.77	39,772
Galleon Energy	Adamant Energy	3/12/08	Corporate	Paper	68.6	52.7	N/A	18.16	12.54	35,098
Regal Energy	Rustler Petroleum	3/12/08	Corporate	Cash	14.1	10.7	N/A	25.94	12.15	29,602
Undisclosed Buyer	G2 Resources	3/12/08	Asset	Cash	6.0	5.8	N/A	28.94	18.50	30,914
Zargon Energy	Newpact Energy	3/12/08	Corporate	Paper	14.9	13.8	N/A	17.86	15.44	39,272
Great Plains Exploration	RedStar Oil & Gas	3/7/08	Corporate	Paper	34.2	25.6	-2.6%	14.46	10.03	24,992
Villanova Energy	Strand Resources	3/6/08	Corporate	Cash	15.9	14.9	N/A	31.59	17.44	49,614
Vermilion Energy Trust	Samson Exploration	3/3/08	Asset	Cash	47.0	43.5	N/A	39.94	16.31	41,848
Seaview Energy	1332915 Alberta	2/27/08	Corporate	Paper	25.5	24.6	N/A	19.23	14.01	44,758
Husky Energy	GEOCAN Energy	2/22/08	Asset	Cash	48.7	46.5	N/A	21.00	1.65	31,961
Second Wave Petroleum	Milagro Energy	2/22/08	Corporate	Paper	26.6	20.7	78.8%	11.18	3.94	67,923
ENMAX	Cordero Energy	2/19/08	Corporate	Cash	238.9	218.5	6.1%	19.78	13.06	58,498
Petro-Reef Resources	Xerex Exploration	2/8/08	Asset	Cash	10.4	10.4	N/A	16.40	11.53	26,000
Iteration Energy	Cyries Energy	1/21/08	Corporate	Paper	655.0	615.6	12.7%	27.92	19.99	58,915
Profound Energy	Defiant Resources	1/21/08	Corporate	Paper	65.4	56.3	10.0%	22.89	12.17	41,634

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves %	Acquiror Mkt Cap	Size of Deal Relative to	Acquiror Mkt Cap	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven	P+1/2P	Gas	(At Announce)	Mkt Cap	(\$MM)	Acquiror	Index	Abnormal Return	Acquiror	Index
	Years	Years									
Delphi Energy	5.1	6.7	80%	329.0	10%	391.0	-16%	-3%	-13%	5%	3%
Harvest Energy	9.8	13.4	28%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	6.9	9.8	27%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Crew Energy	5.0	8.7	52%	1373.3	23%	1454.0	-6%	-1%	-5%	-1%	-4%
Seaview Energy	5.2	7.3	80%	240.3	19%	229.2	5%	-1%	6%	9%	2%
Alberta Clipper Energy	7.8	11.4	92%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Daylight Energy	8.6	11.9	26%	2289.0	18%	2246.6	2%	0%	1%	-7%	-2%
Undisclosed Buyer	2.1	4.4	75%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Seaview Energy	7.4	9.0	5%	189.9	21%	137.5	38%	3%	35%	-10%	-3%
Undisclosed Buyer	11.5	21.8	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Penn West Energy Trust	4.9	7.3	79%	15476.8	1%	14667.5	6%	5%	0%	-3%	-2%
Accrete Energy	7.6	9.6	88%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	3.6	4.8	5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Spry Energy	7.7	11.4	59%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	6.6	9.4	71%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Canadian Natural Resources	5.8	8.5	100%	45513.5	1%	47817.8	-5%	-2%	-2%	5%	1%
Matco Capital	7.8	13.0	98%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fairborne Energy	5.3	9.0	55%	838.4	14%	842.5	0%	-2%	2%	9%	-1%
Undisclosed Buyer	2.3	4.2	87%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Husky Energy	2.6	4.4	8%	38690.3	0%	36562.4	6%	-2%	8%	-1%	2%
Marble Point Energy	10.4	16.3	99%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Marble Point Energy	8.0	10.4	92%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Direct Energy Marketing	4.6	6.9	76%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vero Energy	1.8	2.9	93%	340.3	5%	337.7	1%	3%	-2%	4%	4%
TriAxon Resources	15.2	23.1	24%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Baytex Energy Trust	4.4	6.6	73%	2575.9	7%	2540.1	1%	5%	-3%	4%	0%
Yoho Resources	3.9	6.0	86%	84.2	13%	77.6	8%	1%	8%	-5%	1%
Jarrold Oils	7.6	11.7	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WestFire Energy	6.3	10.4	30%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Painted Pony Petroleum	6.0	9.6	95%	216.5	9%	234.8	-8%	-2%	-6%	1%	-5%
Celtic Exploration	9.0	13.8	68%	644.4	7%	672.3	-4%	1%	-5%	6%	-5%
Regal Energy	7.2	12.4	58%	416.1	6%	449.4	-7%	0%	-7%	-12%	-6%
Galleon Energy	5.3	7.7	79%	1365.6	5%	1426.2	-4%	-3%	-2%	-11%	1%
Regal Energy	3.1	6.7	88%	483.3	3%	466.0	4%	-3%	6%	-21%	1%
Undisclosed Buyer	2.9	4.6	90%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Zargon Energy	6.0	7.0	58%	521.2	3%	535.5	-3%	-3%	0%	1%	1%
Great Plains Exploration	4.7	6.8	100%	97.6	37%	93.4	4%	1%	4%	-9%	1%
Villanova Energy	4.3	7.8	3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vermilion Energy Trust	2.9	7.0	69%	3035.3	2%	2986.3	2%	2%	0%	-1%	2%
Seaview Energy	6.4	8.8	90%	55.7	52%	49.1	13%	4%	9%	41%	0%
Husky Energy	4.2	53.1	4%	34494.0	0%	33910.7	2%	2%	-1%	5%	4%
Second Wave Petroleum	16.6	47.3	43%	238.6	11%	238.6	0%	2%	-2%	-13%	4%
ENMAX	8.1	12.3	97%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Petro-Reef Resources	4.3	6.2	75%	35.3	29%	35.3	0%	-1%	1%	6%	1%
Iteration Energy	5.8	8.1	67%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Profound Energy	5.0	9.4	63%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Delphi Energy	3%	-40%	-23%	-17%	
Harvest Energy	N/A	N/A	N/A	N/A	Operates as a subsidiary of Korea National Oil Corporation
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Crew Energy	3%	-40%	-24%	-16%	
Seaview Energy	7%	-18%	-20%	2%	
Alberta Clipper Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Daylight Energy	-5%	10%	-13%	23%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Seaview Energy	-7%	23%	-14%	37%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Penn West Energy Trust	-1%	-11%	-13%	2%	
Accrete Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Spry Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Canadian Natural Resources	4%	-1%	-1%	0%	
Matco Capital	N/A	N/A	N/A	N/A	Private company, no stock information available
Fairborne Energy	11%	39%	-6%	45%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Husky Energy	-3%	-9%	-6%	-3%	
Marble Point Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Marble Point Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Direct Energy Marketing	N/A	N/A	N/A	N/A	Private company, no stock information available
Vero Energy	-1%	20%	10%	10%	
TriAxon Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Baytex Energy Trust	5%	27%	5%	22%	
Yoho Resources	-6%	44%	19%	25%	
Jarrold Oils	N/A	N/A	N/A	N/A	Private company, no stock information available
WestFire Energy	N/A	N/A	N/A	N/A	Commenced trading on December 24th, 2010
Painted Pony Petroleum	6%	81%	31%	50%	
Celtic Exploration	11%	47%	29%	18%	
Regal Energy	-6%	-20%	26%	-46%	Changed its name to Novus Energy
Galleon Energy	-11%	12%	26%	-14%	
Regal Energy	-22%	29%	26%	3%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Zargon Energy	0%	19%	26%	-6%	
Great Plains Exploration	-9%	7%	27%	-20%	
Villanova Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Vermilion Energy Trust	-3%	2%	22%	-19%	
Seaview Energy	41%	207%	22%	185%	
Husky Energy	1%	29%	30%	-2%	
Second Wave Petroleum	-17%	0%	30%	-30%	
ENMAX	N/A	N/A	N/A	N/A	Private company, no stock information available
Petro-Reef Resources	4%	82%	32%	50%	
Iteration Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Profound Energy	N/A	N/A	N/A	N/A	Private company, no stock information available

APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production (\$BOE/D)
								Proven (\$BOE)	P + 1/2P (\$BOE)	
Talisman Energy	RSX Energy	1/18/08	Corporate	Cash	120.7	87.2	6.3%	32.47	24.35	91,086
Canadian Superior Energy	Seeker Petroleum	1/16/08	Corporate	Cash + Paper	50.9	45.3	N/A	36.44	21.87	43,798
Crescent Point	Shelter Bay	1/14/08	Asset	Cash	80.0	80.0	N/A	29.63	22.22	53,333
Shelter Bay	Landex Petroleum	1/14/08	Corporate	Cash + Paper	310.0	309.8	N/A	27.41	24.01	68,839
NuVista Energy	Rider Resources	1/7/08	Corporate	Paper	588.6	545.9	25.2%	23.49	16.60	47,471
Bonavista Energy Trust	Kereco Energy	12/17/07	Asset	Cash	163.0	151.4	N/A	19.66	14.02	38,821
NuVista Energy	Signalta Resources	12/17/07	Asset	Cash	24.5	24.5	N/A	17.55	15.25	41,257
TriStar Oil & Gas	Arista Energy	12/17/07	Corporate	Cash	219.4	211.9	N/A	53.13	31.14	94,172
Undisclosed Buyer	Kereco Energy	12/14/07	Asset	Cash	78.0	78.0	N/A	22.29	12.58	41,053
TriStar Oil & Gas	Bulldog Resources	12/6/07	Corporate	Paper	217.0	208.9	1.0%	73.78	40.22	102,805
Twin Butte Energy	E4 Energy	12/4/07	Corporate	Paper	59.5	34.8	35.4%	23.35	12.04	36,130
Enerplus Resources Fund	Focus Energy Trust	12/3/07	Corporate	Paper	1759.9	1684.4	7.8%	26.42	19.73	80,397
Quatro Resources	Berkana Energy	11/30/07	Corporate	Cash	172.6	129.9	6.0%	37.73	20.73	46,390
Undisclosed Buyer	Kootenay Energy	11/28/07	Asset	Cash	7.1	7.1	N/A	22.98	20.70	83,529
Galleon Energy	ExAlta Energy	11/26/07	Corporate	Paper	112.2	95.4	44.5%	28.04	18.61	36,398
Petrobank Energy	Peerless Energy	11/22/07	Corporate	Cash + Paper	368.3	315.9	N/A	60.60	34.38	96,577
Zargon Energy	Rival Energy	11/22/07	Corporate	Cash + Paper	52.6	45.1	N/A	31.64	23.62	45,264
TriStar Oil & Gas	Kinwest and Sask assets	11/19/07	Asset	Cash + Paper	105.6	103.3	N/A	49.19	25.83	89,826
Direct Energy Marketing	Rockyview Energy	11/14/07	Corporate	Cash	120.3	74.3	28.5%	16.51	10.55	28,993
Undisclosed Buyer	TriStar Oil & Gas	11/13/07	Asset	Cash	6.5	6.4	N/A	42.47	31.86	57,927
Compton Petroleum	Alberta assets	11/12/07	Asset	Cash	33.0	28.7	N/A	30.74	19.12	30,031
Undisclosed Buyer	PrimeWest Energy	11/7/07	Asset	Cash	32.5	28.1	N/A	13.01	10.40	27,071
Undisclosed Buyer	RSX Energy	11/2/07	Asset	Cash	11.9	11.9	N/A	21.83	13.27	36,207
Crescent Point	Pilot Energy	10/31/07	Corporate	Paper	81.4	77.1	19.2%	48.07	28.54	88,795
Penn West Energy Trust	Canetic Resources Trust	10/31/07	Corporate	Paper	5603.7	5230.4	6.3%	30.80	20.68	70,138
Undisclosed Buyer	PrimeWest Energy	10/30/07	Asset	Cash	55.0	54.7	N/A	26.73	16.40	61,815
Cyries Energy	Private Company	10/29/07	Corporate	Cash + Paper	33.7	33.5	N/A	22.32	16.09	39,438
Second Wave Petroleum	Vanquish Oil & Gas	10/29/07	Asset	Cash	8.9	8.7	N/A	24.61	10.48	26,793
Great Plains Exploration	RSX Energy	10/24/07	Asset	Cash	8.3	7.5	N/A	25.60	16.97	34,091
Provident Energy Trust	Triwest Energy	10/22/07	Corporate	Cash + Paper	91.3	89.5	N/A	39.71	26.49	68,815
Canetic Resources Trust	Titan Exploration	10/18/07	Corporate	Paper	124.1	100.9	N/A	27.68	15.62	46,916
Seaview Energy	1276921 Alberta	10/9/07	Corporate	Paper	13.4	10.6	N/A	43.52	23.80	53,557
Penn West Energy Trust	Vault Energy Trust	9/25/07	Corporate	Paper	405.1	372.1	9.1%	20.63	14.70	54,372
Westbow Energy	Blackpool Exploration	9/25/07	Corporate	Paper	9.9	6.2	-26.7%	18.58	10.55	42,301
Abu Dhabi	PrimeWest Energy	9/24/07	Corporate	Cash	5332.3	4750.3	34.2%	27.64	18.84	74,240
Iteration Energy	Pengrowth Energy Trust	9/24/07	Asset	Cash	52.4	50.6	N/A	20.87	14.84	52,590
Compton Petroleum	WIN Energy	9/17/07	Corporate	Cash	35.6	12.7	60.7%	383.33	27.16	55,329
Crescent Point	Innova Exploration	9/5/07	Corporate	Cash	407.7	355.0	21.8%	51.94	29.50	95,761
Birchcliff Energy	Compton Petroleum	9/4/07	Asset	Cash	270.0	266.5	N/A	23.43	16.50	77,692
Salvo Energy	Expedition Energy	8/31/07	Corporate	Cash	18.9	13.4	79.0%	21.79	13.54	48,167
Abu Dhabi	Pioneer Natural Resources	8/23/07	Corporate	Cash	573.5	522.4	N/A	13.43	8.85	48,826
Questerre Energy	Magnus Energy	8/21/07	Corporate	Paper	25.6	13.1	-77.6%	19.35	10.53	82,580
ARC Energy Trust	Flagship Energy	8/16/07	Asset	Cash	24.8	23.2	N/A	16.74	11.04	48,536
Serrano Energy	Arapahoe Energy	8/16/07	Asset	Paper	11.2	11.2	N/A	28.77	18.64	37,300
Undisclosed Buyer	Sound Energy Trust	8/14/07	Asset	Cash	13.0	13.0	N/A	19.58	13.40	23,941
Crocotta Energy	Diamond Tree Energy	8/13/07	Corporate	Paper	72.6	56.4	18.4%	19.66	13.89	37,590

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves	Acquiror	Size of Deal	Acquiror	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven	P+1/2P	%	Mkt Cap	Relative to	Mkt Cap	Acquiror	Index	Abnormal Return	Acquiror	Index
	Years	Years	Gas	(At Announce)	Mkt Cap	(SMM)					
Talisman Energy	7.7	10.3	85%	16922.6	1%	18809.2	-10%	-8%	-2%	-9%	-3%
Canadian Superior Energy	3.3	5.5	80%	1168.6	5%	978.0	19%	-6%	25%	-2%	-3%
Crescent Point	4.9	6.6	10%	5986.9	1%	6354.8	-6%	1%	-6%	1%	-6%
Shelter Bay	6.9	7.9	3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NuVista Energy	5.5	7.8	76%	1202.6	54%	1087.6	11%	1%	9%	-4%	0%
Bonavista Energy Trust	5.4	7.6	60%	3523.5	5%	3457.1	2%	-2%	3%	-1%	-1%
NuVista Energy	6.4	7.4	2%	1037.9	2%	1093.8	-5%	-2%	-4%	4%	-1%
TriStar Oil & Gas	4.9	8.3	2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	5.0	8.9	84%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TriStar Oil & Gas	3.8	7.0	3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Twin Butte Energy	4.2	8.2	64%	303.9	19%	307.6	-1%	0%	-2%	-8%	4%
Enerplus Resources Fund	8.3	11.2	86%	7280.1	25%	7171.1	2%	-3%	4%	-3%	2%
Quatro Resources	3.4	6.1	77%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	10.0	11.1	10%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Galleon Energy	3.6	5.4	50%	1207.7	9%	1189.5	2%	-1%	2%	0%	-3%
Petrobank Energy	4.4	7.7	56%	5618.0	7%	5638.8	0%	-1%	1%	-5%	0%
Zargon Energy	3.9	5.4	47%	552.2	9%	582.8	-5%	-1%	-4%	-4%	0%
TriStar Oil & Gas	5.0	9.5	18%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Direct Energy Marketing	4.8	7.5	94%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	3.7	5.0	85%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Compton Petroleum	2.7	4.3	95%	1987.3	2%	2187.7	-9%	-3%	-6%	7%	0%
Undisclosed Buyer	5.7	7.1	65%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	4.5	7.5	66%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Crescent Point	5.1	8.5	5%	5713.0	1%	5547.2	3%	4%	-1%	4%	0%
Penn West Energy Trust	6.2	9.3	39%	14142.3	39%	14205.7	0%	4%	-4%	-5%	0%
Undisclosed Buyer	6.3	10.3	9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cyries Energy	4.8	6.7	75%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Second Wave Petroleum	3.0	7.0	11%	134.3	8%	111.3	21%	3%	18%	71%	1%
Great Plains Exploration	3.6	5.5	0%	116.5	8%	109.9	6%	-2%	8%	-8%	2%
Provident Energy Trust	4.7	7.1	3%	2765.9	3%	2831.1	-2%	0%	-3%	1%	0%
Canetic Resources Trust	4.6	8.2	33%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Seaview Energy	3.4	6.2	64%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Penn West Energy Trust	7.2	10.1	52%	16148.4	2%	16265.5	-1%	-3%	2%	2%	0%
Westbow Energy	6.2	11.0	27%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abu Dhabi	7.4	10.8	74%	17119.0	31%	16994.3	1%	-1%	2%	0%	-1%
Iteration Energy	6.9	9.7	48%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Compton Petroleum	0.4	5.6	97%	2577.3	1%	2609.4	-1%	3%	-5%	-3%	-1%
Crescent Point	5.1	8.9	27%	6248.9	7%	5966.1	5%	3%	2%	-3%	0%
Birchcliff Energy	9.1	12.9	20%	661.9	39%	686.7	-4%	3%	-6%	-5%	1%
Salvo Energy	6.1	9.7	59%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abu Dhabi	10.0	15.1	93%	16190.5	3%	17803.5	-9%	2%	-11%	10%	0%
Questerre Energy	11.7	21.5	61%	204.6	12%	215.3	-5%	-3%	-2%	9%	2%
ARC Energy Trust	7.9	12.1	6%	5622.9	0%	5668.3	-1%	-4%	3%	1%	1%
Serrano Energy	3.6	5.5	3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	3.4	4.9	80%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Crocotta Energy	5.2	7.4	50%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Talisman Energy	-6%	23%	25%	-1%	
Canadian Superior Energy	1%	-14%	20%	-34%	Changed its name to Sonde Resources
Crescent Point	7%	31%	8%	23%	
Shelter Bay	N/A	N/A	N/A	N/A	Crescent Point ends up buying Shelter Bay in May, 2010.
NuVista Energy	-4%	11%	4%	7%	
Bonavista Energy Trust	0%	10%	6%	4%	
NuVista Energy	4%	29%	6%	23%	
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
Twin Butte Energy	-12%	1%	10%	-9%	
Enerplus Resources Fund	-5%	5%	10%	-5%	
Quatro Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Galleon Energy	3%	15%	7%	8%	
Petrobank Energy	-4%	7%	2%	5%	
Zargon Energy	-4%	5%	2%	2%	
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
Direct Energy Marketing	N/A	N/A	N/A	N/A	Private company, no stock information available
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Compton Petroleum	7%	35%	-4%	39%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Crescent Point	4%	8%	-9%	17%	
Penn West Energy Trust	-5%	-13%	-9%	-4%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Cyries Energy	N/A	N/A	N/A	N/A	Purchased by Iteration, a private company.
Second Wave Petroleum	70%	46%	-10%	56%	
Great Plains Exploration	-10%	-25%	-9%	-16%	
Provident Energy Trust	1%	-24%	-9%	-15%	
Canetic Resources Trust	N/A	N/A	N/A	N/A	Private company, no stock information available
Seaview Energy	N/A	N/A	N/A	N/A	Can't find stock prices during Oct, 2007
Penn West Energy Trust	2%	-15%	0%	-15%	
Westbow Energy	N/A	N/A	N/A	N/A	Merger formed "Western Canada Energy (WCE)" Could not find any stock price data.
Abu Dhabi	1%	33%	0%	34%	
Iteration Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Compton Petroleum	-2%	-7%	-4%	-3%	
Crescent Point	-3%	23%	-2%	25%	
Birchcliff Energy	-6%	25%	-4%	29%	
Salvo Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Abu Dhabi	10%	20%	3%	17%	
Questerre Energy	8%	-27%	4%	-31%	
ARC Energy Trust	0%	-4%	5%	-9%	
Serrano Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Crocotta Energy	N/A	N/A	N/A	N/A	Started trading on the TSX after merger.

APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production
								Proven	P + 1/2P	
								(\$BOE)	(\$BOE)	(\$BOE/D)
Undisclosed Buyer	Trilogy Energy Trust	8/8/07	Asset	Cash	24.1	22.0	N/A	25.18	17.94	41,251
NAL Oil & Gas Trust	Seneca Energy Canada	8/7/07	Corporate	Cash	262.2	246.4	N/A	34.05	23.82	53,509
Rock Energy	Greenbank Energy	8/1/07	Corporate	Cash + Paper	30.9	28.2	N/A	30.90	14.09	47,202
Marathon Oil	Western Oil Sands	7/31/07	Corporate	Cash + Paper	6655.2	6035.3	N/A	12.31	10.56	196,896
Crescent Point	Rising Tide Oil & Gas	7/26/07	Corporate	Cash + Paper	20.9	19.1	N/A	14.48	8.95	50,613
Anderson Energy	Pengrowth Energy Trust	7/25/07	Asset	Cash	117.1	114.6	N/A	22.32	16.97	53,396
Advantage Energy Income Fund	Sound Energy Trust	7/9/07	Corporate	Cash + Paper	542.5	473.6	11.3%	25.69	15.50	52,287
LongBow Resources	Alberta assets	6/27/07	Asset	Cash	8.2	8.2	N/A	15.36	11.95	45,556
Action Energy	Rolling Thunder Exploration	6/27/07	Corporate	Cash + Paper	58.9	47.8	N/A	28.21	14.94	48,353
Piper Resources	Argali Oil	6/26/07	Corporate	Cash	60.0	56.4	N/A	23.79	15.42	58,874
Compton Petroleum	Stylus Energy	6/25/07	Corporate	Cash	101.7	81.3	20.5%	37.44	22.24	42,931
Twin Butte Energy	PrimeWest Energy	6/25/07	Asset	Cash	29.0	27.1	N/A	19.88	13.56	45,117
Ripper Oil & Gas	Garran Energy	6/14/07	Corporate	Cash + Paper	6.4	6.0	N/A	12.69	7.61	46,451
Harvest Energy	Grand Petroleum	6/11/07	Corporate	Cash	145.8	128.3	6.7%	41.58	22.40	37,644
Sabretooth Energy	Bear Ridge Resources	6/11/07	Corporate	Cash + Paper	230.6	64.6	20.0%	16.08	11.37	26,110
Cordero Energy	Sebring Energy	6/7/07	Corporate	Paper	27.9	21.9	N/A	15.15	9.07	64,300
Bonavista Energy Trust	Mystique Energy	6/6/07	Asset	Cash	19.2	19.1	N/A	28.90	8.42	46,110
Fortress Energy	AB and BC assets	6/5/07	Asset	Cash	13.3	8.3	N/A	8.25	5.50	27,500
Penn West Energy Trust	C1 Energy	5/31/07	Corporate	Cash	28.1	14.7	-2.4%	11.91	7.23	29,975
Undisclosed Buyer	Paramount Resources	5/31/07	Asset	Cash	30.5	30.5	N/A	29.19	19.54	40,132
Baytex Energy Trust	Dominion Resources	5/29/07	Asset	Cash	238.2	226.2	N/A	19.36	11.56	43,415
Kereco Energy	JED Oil	5/29/07	Asset	Cash	36.6	36.6	N/A	26.52	19.89	52,286
Paramount Resources	Dominion Resources	5/29/07	Asset	Cash	391.8	360.9	N/A	15.39	8.33	44,878
Abu Dhabi	Northrock Resources	5/28/07	Corporate	Cash	2166.6	2065.4	N/A	14.54	N/A	57,002
Celtic Exploration	Alberta assets	5/24/07	Asset	Cash	52.5	52.5	N/A	18.10	11.67	47,727
One Exploration	Shiningbank Energy	5/24/07	Asset	Cash	10.7	9.1	N/A	16.40	11.56	24,181
JED Oil	Caribou Resources	5/23/07	Corporate	Paper	52.4	40.5	172.3%	26.08	11.40	38,505
Storm Exploration	Harvest Energy Trust	5/23/07	Corporate	Cash + Paper	33.1	31.2	N/A	40.95	29.21	67,097
TriStar Oil & Gas	Real Resources	5/22/07	Corporate	Paper	582.0	532.4	0.0%	25.26	16.73	56,766
PrimeWest Energy Trust	Shiningbank Energy	5/10/07	Corporate	Paper	1784.1	1687.2	0.0%	30.54	18.73	68,058
Undisclosed Buyer	Trilogy Energy Trust	5/8/07	Asset	Cash	78.0	68.6	N/A	25.71	12.52	22,420
Provident Energy Trust	Capitol Energy Resources	5/3/07	Asset	Cash	516.9	486.0	3.3%	33.33	16.41	126,750
Buffalo Resources	Choice Resources	5/1/07	Corporate	Paper	138.0	121.1	30.0%	17.47	12.88	66,772
Gentry Resources	Bow Valley Energy	4/30/07	Asset	Cash	74.3	67.9	N/A	28.74	18.52	45,539
Progress Energy Resources	Alberta assets	4/25/07	Asset	Cash	39.8	36.7	N/A	30.58	23.83	45,875
Sword Energy	Thunder Energy Trust	4/24/07	Corporate	Cash	472.3	452.5	1.5%	23.14	15.86	52,382
Canext Energy	Tasman Exploration	4/19/07	Corporate	Paper	30.0	21.0	N/A	46.13	30.23	43,317
Canext Energy	Trimox Energy	4/19/07	Corporate	Paper	25.6	23.3	47.0%	43.35	22.20	26,706
Crocotta Energy	Eastshore Energy	4/18/07	Corporate	Cash + Paper	38.9	33.1	27.5%	22.11	16.89	58,086
One Exploration	Tsunami Petroleum	4/18/07	Corporate	Paper	6.8	6.4	N/A	20.75	14.14	38,485
Crew Energy	ENCO Gas	4/16/07	Corporate	Cash	149.4	137.8	N/A	16.51	12.47	44,440
Petrobank Energy	Grand Banks Energy	4/9/07	Asset	Cash	8.5	6.8	N/A	27.17	9.34	133,745
City of Medicine Hat	Pengrowth Energy Trust	4/4/07	Asset	Cash	135.3	135.3	N/A	16.98	14.07	65,988
Enterra Energy Trust	Trigger Resources	4/4/07	Corporate	Cash	63.2	56.9	N/A	18.80	12.06	23,401
PrimeWest Energy Trust	Alberta assets	3/30/07	Asset	Cash	9.8	9.8	N/A	12.19	10.55	49,537
Alberta Clipper Energy	Talisman Energy	3/29/07	Asset	Cash	5.8	31.1	N/A	31.07	21.99	65,723

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves	Acquiror	Size of Deal	Acquiror	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven	P+1/2P	%	Mkt Cap	Relative to	Mkt Cap	Acquiror	Index	Abnormal Return	Acquiror	Index
	Years	Years	Gas	(At Announce)	Mkt Cap	(SMM)					
Undisclosed Buyer	4.5	6.3	80%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NAL Oil & Gas Trust	4.3	6.2	80%	1926.1	14%	1855.1	4%	-3%	6%	-5%	0%
Rock Energy	4.2	9.2	91%	123.2	25%	123.2	0%	-3%	3%	-3%	-3%
Marathon Oil	43.8	51.1	0%	40107.7	15%	45171.4	-11%	1%	-12%	-10%	-1%
Crescent Point	9.6	15.5	1%	5035.6	0%	5236.7	-4%	-6%	2%	1%	0%
Anderson Energy	6.6	8.6	73%	728.9	14%	820.6	-11%	-3%	-8%	-6%	-3%
Advantage Energy Income Fui	5.6	9.2	58%	2380.1	22%	2435.9	-2%	1%	-3%	0%	0%
LongBow Resources	8.1	10.4	13%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Action Energy	4.7	8.9	56%	191.8	29%	200.4	-4%	-2%	-2%	-4%	1%
Piper Resources	6.8	10.5	96%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Compton Petroleum	3.1	5.3	75%	3065.2	3%	3160.3	-3%	-4%	1%	-7%	-1%
Twin Butte Energy	6.2	9.1	84%	403.8	7%	403.8	0%	-4%	4%	-3%	-1%
Ripper Oil & Gas	10.0	16.7	88%	12.1	53%	12.1	0%	3%	-3%	11%	2%
Harvest Energy	2.5	4.6	28%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sabretooth Energy	4.4	6.3	82%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cordero Energy	11.6	19.4	98%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bonavista Energy Trust	4.4	15.0	71%	4345.4	0%	4297.7	1%	0%	1%	-3%	-2%
Fortress Energy	9.1	13.7	100%	171.9	8%	167.5	3%	4%	-1%	-3%	-4%
Penn West Energy Trust	6.9	11.4	55%	17053.4	0%	17103.0	0%	0%	0%	1%	2%
Undisclosed Buyer	3.9	5.6	85%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Baytex Energy Trust	6.1	10.3	24%	2375.0	10%	2398.4	-1%	-3%	2%	-3%	2%
Kereco Energy	5.4	7.2	73%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paramount Resources	8.0	14.8	92%	1930.2	20%	1933.0	0%	-3%	2%	-11%	2%
Abu Dhabi	10.7	N/A	44%	15570.3	17%	12885.8	21%	-1%	22%	11%	0%
Celtic Exploration	7.2	11.2	63%	606.9	9%	596.3	2%	1%	1%	7%	1%
One Exploration	4.0	5.7	82%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
JED Oil	4.0	9.3	64%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Storm Exploration	4.5	6.3	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TriStar Oil & Gas	6.2	9.3	44%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PrimeWest Energy Trust	6.1	10.0	77%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undisclosed Buyer	2.4	4.9	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Provident Energy Trust	10.4	21.2	28%	2956.3	17%	3001.0	-1%	3%	-4%	-2%	1%
Buffalo Resources	10.5	14.2	86%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gentry Resources	4.3	6.7	79%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Progress Energy Resources	4.1	5.3	100%	3208.3	1%	3428.7	-6%	0%	-7%	0%	0%
Sword Energy	6.2	9.1	66%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Canext Energy	2.6	3.9	88%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Canext Energy	1.7	3.3	80%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Crocotta Energy	7.2	9.4	68%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
One Exploration	5.1	7.5	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Crew Energy	7.4	9.8	92%	801.1	18%	819.5	-2%	3%	-6%	1%	-1%
Petrobank Energy	13.5	39.2	0%	2504.7	0%	2427.2	3%	1%	2%	3%	0%
City of Medicine Hat	10.6	12.9	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enterra Energy Trust	3.4	5.3	74%	535.7	11%	569.6	-6%	1%	-7%	-5%	-1%
PrimeWest Energy Trust	11.1	12.9	82%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alberta Clipper Energy	5.8	8.2	47%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
NAL Oil & Gas Trust	-4%	-6%	5%	-11%	
Rock Energy	0%	-46%	2%	-49%	
Marathon Oil	-9%	7%	2%	6%	
Crescent Point	2%	15%	1%	14%	
Anderson Energy	-3%	-6%	-2%	-4%	
Advantage Energy Income Fui	0%	-17%	-5%	-12%	Changed to Advantage Oil & Gas
LongBow Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Action Energy	-6%	-39%	-2%	-37%	
Piper Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Compton Petroleum	-6%	-20%	-3%	-17%	
Twin Butte Energy	-2%	-23%		-23%	
Ripper Oil & Gas	9%	-4%	-4%	0%	
Harvest Energy	N/A	N/A	N/A	N/A	The trust was delisted from the TSX and the New York Stock Exchange in December 2009
Sabretooth Energy	N/A	N/A	N/A	N/A	Commenced trading on August 24th, 2007.
Cordero Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Bonavista Energy Trust	-2%	-11%	-5%	-6%	
Fortress Energy	1%	-28%	-7%	-21%	
Penn West Energy Trust	-1%	-21%	-8%	-13%	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Baytex Energy Trust	-5%	-19%	-7%	-12%	
Kereco Energy	N/A	N/A	N/A	N/A	Changed name to Cadence Energy and then to Barrick Energy.
Paramount Resources	-13%	-34%	-7%	-27%	
Abu Dhabi	11%	9%	-10%	18%	
Celtic Exploration	6%	-5%	-7%	2%	
One Exploration	N/A	N/A	N/A	N/A	Changed name to TriOil, insufficient stock information available.
JED Oil	N/A	N/A	N/A	N/A	Private company, no stock information available
Storm Exploration	N/A	N/A	N/A	N/A	Acquired by ARC Energy Trust in 2010.
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
PrimeWest Energy Trust	N/A	N/A	N/A	N/A	Acquired by Abu Dhabi.
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Provident Energy Trust	-3%	-5%	0%	-5%	
Buffalo Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Gentry Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Progress Energy Resources	0%	-2%	5%	-7%	
Sword Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Canext Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Canext Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Crocotta Energy	N/A	N/A	N/A	N/A	X after merger.
One Exploration	N/A	N/A	N/A	N/A	Changed name to TriOil, insufficient stock information available.
Crew Energy	2%	-7%	6%	-13%	
Petrobank Energy	3%	15%	9%	6%	
City of Medicine Hat	N/A	N/A	N/A	N/A	Cities do not possess shares.
Enterra Energy Trust	-4%	4%	8%	-4%	Changed name to Equal Energy
PrimeWest Energy Trust	N/A	N/A	N/A	N/A	Acquired by Abu Dhabi.
Alberta Clipper Energy	N/A	N/A	N/A	N/A	Private company, no stock information available

APPENDIX

Acquiror	Target	Date Announced	Acquisition Type	Payment Method	Acquisition Price (\$MM)	Reserves Value	Premium To Market	Total Cost To:		
								Reserves		Daily Production
								Proven (\$BOE)	P + 1/2P (\$BOE)	
Undisclosed Buyer	Highview Resources	3/29/07	Asset	Cash	5.0	3.0	N/A	10.10	7.91	29,557
Rider Resources	Talisman Energy	3/27/07	Asset	Cash	208.0	188.0	N/A	23.07	15.84	38,844
Ivory Energy	Empire Resources	3/20/07	Corporate	Cash	20.0	20.0	N/A	12.20	8.12	33,994
Ivory Energy	Zenith Petroleum	3/20/07	Corporate	Cash + Paper	5.9	5.7	N/A	18.62	11.89	29,605
Fairborne Energy	Fairquest Energy	3/12/07	Corporate	Paper	194.6	162.3	19.1%	26.32	14.39	68,940
Reece Energy Exploration	Long View Resources	3/9/07	Corporate	Paper	17.1	9.2	66.7%	21.88	7.79	66,805
TriStar Oil & Gas	AB and SASK assets	3/9/07	Asset	Cash	55.7	51.7	N/A	21.54	13.46	54,421
NuVista Energy	Alberta assets	3/8/07	Asset	Cash	34.0	33.9	N/A	18.45	13.58	42,420
Resolve Energy	Anterra Energy	3/7/07	Corporate	Paper	23.0	21.1	79.1%	26.45	17.43	96,223
ProEx Energy	Progress Energy	3/5/07	Asset	Cash	134.3	126.4	N/A	37.61	19.68	63,859
Progress Energy Resources	BG Canada Exploration	3/5/07	Asset	Cash	390.3	366.2	N/A	38.05	22.64	54,507
Harvest Energy	Reveal Resources	3/2/07	Corporate	Cash	29.6	29.6	N/A	10.11	5.50	30,874
Penn West Energy Trust	Husky Energy	2/9/07	Asset	Cash	339.0	320.0	N/A	23.90	19.42	65,306
Exoro Energy	Onyx Oil & Gas	2/1/07	Asset	Cash	62.5	61.4	N/A	25.39	16.14	55,463
FairWest Energy	Strike Petroleum	1/24/07	Corporate	Paper	27.0	26.2	-43.8%	36.22	21.85	41,120
Royal Dutch Shell	22% Shell Canada	1/23/07	Corporate	Cash	40120.4	32306.2	37.2%	19.20	15.49	131,934

APPENDIX

Acquiror	Reserves to Production Ratio		Reserves %	Acquiror Mkt Cap	Size of Deal Relative to Mkt Cap	Acquiror Mkt Cap	Change 5 Days Prior Announce			Change 2 Days Post Bid Ann	
	Proven Years	P+1/2P Years	Gas	(At Announce) (\$MM)	Mkt Cap	(\$MM)	Acquiror	Index	Abnormal Return	Acquiror	Index
Undisclosed Buyer	8.0	10.2	88%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rider Resources	4.6	6.7	77%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ivory Energy	7.6	11.5	2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ivory Energy	4.4	6.8	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fairborne Energy	7.2	12.1	82%	969.8	20%	989.0	-2%	2%	-4%	-7%	-1%
Reece Energy Exploration	8.3	23.5	4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TriStar Oil & Gas	6.9	11.1	40%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NuVista Energy	6.3	8.6	83%	1128.4	3%	1139.0	-1%	0%	-1%	1%	-1%
Resolve Energy	10.0	15.2	21%	215.1	11%	215.1	0%	-1%	1%	-32%	0%
ProEx Energy	4.7	8.9	93%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Progress Energy Resources	3.9	6.6	96%	2764.4	14%	2818.0	-2%	-5%	3%	0%	3%
Harvest Energy	8.4	15.4	22%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Penn West Energy Trust	7.5	9.2	35%	15407.1	2%	15708.7	-2%	-1%	-1%	0%	0%
Exoro Energy	6.0	9.4	88%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FairWest Energy	3.1	5.2	88%	71.3	43%	62.7	14%	5%	9%	-12%	-1%
Royal Dutch Shell	18.8	23.3	14%	117874.5	34%	117113.3	1%	5%	-4%	0%	-1%

APPENDIX

Acquiror	ounce	Change 90 Days Post Bid Announce			Notes
	Abnormal Return	Acquiror	Index	Abnormal Return	
Undisclosed Buyer	N/A	N/A	N/A	N/A	Undisclosed buyer. Can't track stock performance.
Rider Resources	N/A	N/A	N/A	N/A	Private company, no stock information available
Ivory Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Ivory Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Fairborne Energy	-5%	-5%	13%	-18%	
Reece Energy Exploration	N/A	N/A	N/A	N/A	Private company, no stock information available
TriStar Oil & Gas	N/A	N/A	N/A	N/A	Private company, no stock information available
NuVista Energy	2%	18%	13%	5%	
Resolve Energy	-32%	-42%	13%	-55%	Formed Anterra Energy
ProEx Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
Progress Energy Resources	-2%	28%	20%	8%	
Harvest Energy	N/A	N/A	N/A	N/A	The trust was delisted from the TSX in December, 2009.
Penn West Energy Trust	0%	2%	9%	-7%	
Exoro Energy	N/A	N/A	N/A	N/A	Private company, no stock information available
FairWest Energy	-11%	-10%	5%	-15%	
Royal Dutch Shell	1%	2%	6%	-3%	