

Energy

August 8, 2011

Industry Comment - Changes

Justin Bouchard P.Eng., CFA | 403.509.0523 | justin.bouchard@raymondjames.ca
Andrew Bradford CFA | 403.509.0503 | andrew.bradford@raymondjames.ca
Rafi Khouri B.Sc, MBA | 403.509.0560 | rafi.khouri@raymondjames.ca
Luc Mageau CFA | 403.509.0505 | luc.mageau@raymondjames.ca
Kristopher Zack CA, CFA | 403.221.0414 | kristopher.zack@raymondjames.ca
Christopher Cox (Associate) | 403.509.0562 | christopher.cox@raymondjames.ca
Nick Heffernan (Associate) | 403.509.0511 | nicholas.heffernan@raymondjames.ca
Gordon Steppan (Associate) | 403.221.0411 | gordon.steppan@raymondjames.ca
Matthew Stevenson M.Eng. (Associate) | 403.509.0518 | matthew.stevenson@raymondjames.ca
Ana Wessel (Associate) | 403.509.0541 | ana.wessel@raymondjames.ca
Cynthia Yee (Associate) | 416.777.7175 | cynthia.yee@raymondjames.ca

Energy

Weekly Energy Bulletin: How the Cooler Heads Prevail in the Market Correction

How bad was it? The two best performing stocks over the last week in our 80-name energy coverage group managed zero-percent returns – from there it only got worse (see page 16 of this report for our comprehensive share performance summary).

So giving consideration to last week's tectonic shift in the markets, we have evaluated two classes of investment opportunity that the weakness has created: (a) The premium operators – high-quality companies that are perennially too expensive for value-oriented investors to chin-up to the price – but which are now available at much more reasonable prices; and (b) The deep value opportunities, where the companies' stocks are both too cheap to ignore *and* where there may be some near term catalyst prompting differential relative performance.

High Quality on Sale

- ◆ **Black Diamond (BDI-TSX).** Black Diamond is a very well-run company facing a considerable amount of opportunity from growing oil sands development. The stock traded down 11% last week.
- ◆ **Secure Energy Services (SES-TSX).** We are raising our rating on Secure to Outperform from Market Perform as a function of the 12% share price decline over the last week. Secure has a proven management team and an enviable track record for generating shareholder value.
- ◆ **Bonavista Energy (BNP-TSX).** Bonavista continues to expand its inventory of liquids-rich development opportunities and has a disciplined approach to full cycle investment. The stock was down 11% last week.
- ◆ **Southern Pacific Resources (STP-TSX).** The company has a quality producing asset in Senlac and we believe McKay is likely to be one of the last SAGD projects completed before inflation really begins to have a meaningful impact on project costs and economics. The stock is now trading at only \$0.23/bbl of undeveloped resource (including McKay reserves).

Deep Value with Potential Catalysts

- ◆ **Legacy Oil & Gas (LEG-TSX).** The stock has underperformed (down 35% YTD) on concerns about the impact of abnormally wet weather; while we see this as more than priced in, we expect revised guidance in the 2Q report (Tuesday, August 9) will be final shoe to drop. We see a number of operational catalysts through 2H12; its high-quality asset base is unchanged.
- ◆ **Bankers Petroleum (BNK-TSX).** The company is currently trading at a 56.4% discount to our calculated 2P NAV. We note that the company has 2 key risks: oil prices and execution risk. However, if we assume flat Brent prices of US\$80/bbl and an increase of 20% to capital costs (to account for execution risk), the stock would still be trading at a ~10% discount to 2P NAV. We believe the company's Technical Day (August 11) may act as a near-term catalyst, which could show data to give confidence back to investors. The stock is down over 15% in the past week, valuation once again justifying a Strong Buy rating (from Outperform prior).

- ◆ **WestFire Energy (WFE-TSX).** With the acquisition of Orion Oil & Gas now complete, the company has the balance sheet and cash flow to significantly grow production organically by 15 - 20% for the next several years without the need of external capital.
- ◆ **Renegade Petroleum (RPL-TSXV).** Renegade has accelerated its growth plans for the Viking and is poised to show q/q production growth with its 2Q11 results and remains on track for its 2011 growth plans. The company's shares closed down 13% for the week on Friday, and now represent good value.
- ◆ **Athabasca Oil Sands (ATH-TSX).** The stock has been one of the biggest underperformers, down 17% over the last week. The value of the cash plus the put/call option is \$7.75/share. At current levels investors are only paying \$0.23/bbl for the oil sands and \$0 for the Deep Basin. While the recent well results from the Deep Basin were lukewarm, we believe the upcoming Alberta land sale on August 24 will provide positive data points on land prices for Duvernay rights. Athabasca has 475,000 acres in the play and a number of other players have been active in the play over the past couple of months.
- ◆ **Canadian Natural Resources (CNQ-TSX).** Canadian Natural is the largest land holder in Western Canada, offering the company excellent optionality in its portfolio. An expanded program in the Montney by the end of the year could be another catalyst for the stock as management believes those assets compete with its current oil projects at \$3.50/mcf AECO. At only 4.6x consensus forward cash flow, the company is near the lower limit of its historical trading range.

Company	Ticker	Ticker	Current Price	Target Price (6-12 months)		Div. Yield	Total Return To Target	Rating	Rating
	Primary	Secondary		Old	New			Old	New
Senior Oil & Gas Producers									
Canadian Natural Resources Ltd	CNQ-TSX	CNQ-NYSE	C\$35.25	C\$52.00	C\$52.00	1.0%	49%	2	2
EnCana Corporation	ECA-TSX	ECA-NYSE	C\$25.01	C\$33.00	C\$33.00	3.1%	35%	3	3
Nexen Inc.	NXY-TSX	NXY-NYSE	C\$19.87	C\$24.50	C\$24.50	1.0%	24%	3	3
Intermediate Oil & Gas Producers									
Advantage Oil & Gas Ltd.	AAV-TSX	AAV-NYSE	C\$5.91	C\$9.00	C\$9.00	0.0%	52%	2	2
Arc Resources Ltd.	ARX-TSX		C\$23.03	C\$24.50	C\$24.50	5.2%	12%	3	3
AvenEx Energy Corp.	AVF-TSX		C\$4.84	C\$6.00	C\$6.00	11.2%	35%	2	2
Baytex Energy Corp.	BTE-TSX	BTE-NYSE	C\$49.11	C\$53.00	C\$53.00	0.0%	13%	3	3
Birchcliff Energy Ltd.	BIR-TSX		C\$12.69	C\$10.75	C\$10.75	4.9%	-15%	3	3
Bonavista Energy Corporation	BNP-TSX		C\$25.56	C\$31.00	C\$31.00	5.6%	27%	2	2
Crescent Point Energy	CPG-TSX		C\$39.56	C\$51.00	C\$51.00	7.0%	36%	2	2
Crew Energy Inc.	CR-TSX		C\$13.50	C\$20.00	C\$20.00	0.0%	48%	2	2
Daylight Energy Ltd.	DAY-TSX		C\$8.32	C\$11.50	C\$11.50	7.2%	45%	2	2
Enerplus Corporation	ERF-TSX	ERF-NYSE	C\$26.31	C\$31.00	C\$31.00	8.2%	26%	3	3
Fairborne Energy Inc.	FEL-TSX		C\$4.22	C\$6.50	C\$6.50	0.0%	54%	2	2
Legacy Oil & Gas Inc.	LEG-TSX		C\$10.17	C\$18.50	C\$18.50	0.0%	82%	1	1
NAL Energy Corporation	NAE-TSX		C\$9.59	C\$13.50	C\$13.50	8.8%	50%	2	2
Pengrowth Energy Corporation	PGF-TSX	PGH-NYSE	C\$10.68	C\$14.00	C\$14.00	6.0%	39%	2	2
Perpetual Energy Inc.	PMT-TSX		C\$3.00	C\$4.00	C\$4.00	7.9%	39%	3	3
PetroBakken Energy Ltd.	PBN-TSX		C\$12.13	C\$16.50	C\$16.50	7.9%	44%	2	2
Progress Energy Resources Corp.	PRQ-TSX		C\$13.14	C\$16.50	C\$16.50	3.0%	29%	2	2
Vermilion Energy Inc.	VET-TSX		C\$44.86	C\$55.00	C\$55.00	5.1%	28%	2	2
Zargon Oil & Gas Ltd.	ZAR-TSX		C\$17.84	C\$20.50	C\$20.50	9.4%	24%	3	3
Junior Oil & Gas Producers									
Cequence Energy Inc.	CQE-TSX		C\$3.78	C\$4.00	C\$4.00	0.0%	6%	3	3
Compass Petroleum Ltd.	CPO-TSXV		C\$1.60	C\$2.75	C\$2.75	0.0%	72%	2	2
Crocotta Energy Inc.	CTA-TSX		C\$2.65	C\$3.25	C\$3.25	0.0%	7%	2	2
Insignia Energy Ltd.	ISN-TSX		C\$1.60	C\$2.75	C\$2.75	0.0%	72%	2	2
Novus Energy Inc.	NVS-TSXV		C\$0.88	C\$1.50	C\$1.50	0.0%	70%	2	2
Open Range Energy Corp.	ONR-TSX		C\$5.83	C\$6.50	C\$6.50	0.0%	11%	2	2
Reliable Energy Ltd.	REL-TSXV		C\$0.36	C\$0.60	C\$0.60	0.0%	67%	2	2
Regenado Petroleum Ltd.	RPL-TSXV		C\$2.99	C\$5.00	C\$5.00	0.0%	67%	2	2
Strategic Oil & Gas Ltd.	SOG-TSXV		C\$0.90	C\$1.75	C\$1.75	0.0%	94%	2	2
Twin Butte Energy Inc.	TBE-TSX		C\$2.16	C\$3.75	C\$3.75	0.0%	74%	2	2
Waldron Energy Corp.	WDN-TSXV		C\$2.30	C\$4.50	C\$4.50	0.0%	96%	2	2
WestFire Energy Ltd.	WFE-TSX		C\$6.05	C\$11.50	C\$11.50	0.0%	90%	1	1
Yangarra Resources Ltd.	YGR-TSXV		C\$0.68	C\$0.90	C\$0.90	0.0%	32%	2	2
Zodiac Exploration Inc.	ZEX-TSXV		C\$0.58	C\$2.00	C\$2.00	0.0%	245%	2	2
International Oil & Gas									
ArPetrol	RPT-TSXV		C\$0.11	C\$0.30	C\$0.30	0.0%	186%	2	2
Bankers Petroleum	BNK-TSX		C\$5.10	C\$15.00	C\$15.00	0.0%	194%	2	1
Gran Tierra Energy	GTE-TSX	GTE-AMEX	C\$5.94	C\$13.50	C\$13.50	0.0%	127%	1	1
Greenfields Petroleum Corporation	GNF.S-TSXV		C\$8.00	C\$13.00	C\$13.00	0.0%	63%	2	2
Niko Resources Ltd	NKO-TSX		C\$59.00	C\$55.00	C\$55.00	0.2%	-7%	4	4
Pacific Rubiales Energy	PRE-TSX		C\$25.05	C\$44.00	C\$44.00	1.5%	77%	1	1
Pan Orient Energy	POE-TSXV		C\$3.65	C\$12.00	C\$12.00	0.0%	229%	2	2
Parex Resources Inc.	PXT-TSXV		C\$6.65	C\$11.00	C\$11.00	0.0%	65%	2	2
PetroAmerica Oil Corp.	PTA-TSXV		C\$0.13	C\$0.35	C\$0.35	0.0%	169%	2	2
PetroDorado Energy Ltd.	PDQ-TSXV		C\$0.25	C\$0.50	C\$0.50	0.0%	100%	2	2
PetroMagdalena	ALE-TSXV		C\$1.01	C\$2.10	C\$2.10	0.0%	108%	2	2
Petromanas	PMI-TSX		C\$0.20	C\$0.50	C\$0.50	0.0%	150%	2	2
Petrominerales	PMG-TSX		C\$26.01	C\$25.00	C\$25.00	1.9%	-2%	3	3
Petronova Inc.	PNA-TSXV		C\$1.01	C\$2.50	C\$2.50	0.0%	148%	2	2
Porto Energy Corp.	PEC-TSXV		C\$0.56	C\$2.00	C\$2.00	0.0%	257%	2	2
ShaMaran Petroleum Corp.	SNM-TSXV		C\$0.60	C\$1.00	C\$1.00	0.0%	67%	2	2
Suroco Energy Inc	SRN-TSXV		C\$0.55	C\$1.60	C\$1.60	0.0%	191%	2	2
Talisman Energy Inc.	TLM-TSX	TLM-NYSE	C\$16.62	C\$22.00	C\$22.00	1.6%	34%	3	3
WesternZagros Resources	WZR-TSXV		C\$0.59	C\$0.25	C\$0.25	0.0%	-58%	4	4

Company	Ticker Primary	Ticker Secondary	Current Price	Target Price (6-12 months)		Div. Yield	Total Return To Target	Rating	
				Old	New			Old	New
Oil Sands & Producers									
Alter NRG	NRG-TSX		C\$0.72	C\$3.25	C\$3.25	0.0%	351%	2	2
Athabasca Oil Sands Corp.	ATH-TSX		C\$12.98	C\$20.00	C\$20.00	0.0%	54%	2	2
Canadian Oil Sands Limited	COS-TSX		C\$24.05	C\$32.00	C\$32.00	0.0%	38%	2	2
Cenovus Energy	CVE-TSX	CVE-NYSE	C\$33.93	C\$46.00	C\$46.00	5.0%	38%	2	2
Connacher Oil and Gas	CLL-TSX		C\$0.90	C\$2.00	C\$2.00	2.4%	122%	1	1
OPTI Canada Inc.	OPC-TSX		C\$0.12	UR	UR	0.0%	UR	UR	UR
Petrobank Energy and Resources Ltd.	PBG-TSX		C\$12.78	C\$18.00	C\$18.00	0.0%	41%	2	2
Southern Pacific Resources Corp.	STP-TSX		C\$1.46	C\$2.75	C\$2.75	0.0%	88%	1	1
Suncor Energy Inc	SU-TSX	SU-NYSE	C\$32.34	C\$44.00	C\$44.00	1.2%	37%	2	2
Oil & Gas Energy Services									
Black Diamond Group Ltd.	BDI-TSX		C\$28.50	C\$34.00	C\$34.00	4.0%	23%	2	2
Calfrac Well Services	CFW-TSX		C\$35.82	C\$55.00	C\$55.00	0.4%	54%	1	1
Canyon Services Group Inc.	FRC-TSX		C\$13.79	C\$22.25	C\$22.25	0.7%	62%	1	1
Enerflex Ltd.	EFX-TSX		C\$10.50	C\$14.50	C\$14.50	2.3%	40%	2	2
Ensign Energy Services	ESI-TSX		C\$17.72	C\$24.25	C\$24.25	2.1%	39%	2	2
Essential Energy Services Ltd.	ESN-TSX		C\$1.93	C\$3.10	C\$3.10	0.0%	61%	1	1
GasFrac Energy Services Ltd.	GFS-TSX		C\$9.40	C\$13.50	C\$13.50	0.0%	44%	2	2
Mullen Group Ltd.	MTL-TSX		C\$20.06	C\$23.25	C\$23.25	5.0%	21%	3	3
Precision Drilling Corporation	PD-TSX	PDS-NYSE	C\$13.87	C\$18.25	C\$18.25	0.0%	32%	2	2
Pure Energy Services Ltd.	PSV-TSX		C\$7.28	C\$11.00	C\$11.00	0.0%	51%	1	1
Savanna Energy Services	SVY-TSX		C\$8.27	C\$11.75	C\$11.75	0.0%	42%	2	2
Secure Energy Services Inc.	SES-TSX		C\$7.90	C\$10.25	C\$10.25	0.0%	30%	3	2
Strad Energy Services Ltd.	SDY-TSX		C\$4.10	C\$6.50	C\$6.50	0.0%	59%	1	1
Trican Well Service	TCW-TSX		C\$23.07	C\$31.00	C\$31.00	0.4%	35%	1	1
Trinidad Drilling Ltd.	TDG-TSX		C\$8.55	C\$12.50	C\$12.50	2.3%	49%	1	1
Western Energy Services Corp.	WRG-TSXV		C\$8.37	C\$11.00	C\$11.00	0.0%	31%	2	2
Raymond James Ltd.									

Exhibit 1: Weekly Statistics

Oil & Gas Prices		5-Aug	4-Aug	% Chg	1 Week Ago	1 Month Ago	1 Year Ago
Crude Oil							
Near month WTI contract	(US\$/bbl)	\$86.88	\$86.63	0.3%	\$95.70	\$96.65	\$82.01
12-month WTI strip	(US\$/bbl)	\$89.48	\$89.12	0.4%	\$98.04	\$98.95	\$84.40
Canadian par	(Cdn\$/bbl)	\$94.31	\$94.26	0.1%	\$93.98	\$93.94	\$73.84
Heavy differential *	(US\$/bbl)	\$16.04	\$14.04	14.3%	\$16.35	\$33.90	
Natural Gas							
Near month NYMEX contract	(US\$/mcf)	\$3.94	\$3.94	0.0%	\$4.15	\$4.22	\$4.60
12-month NYMEX strip	(US\$/mcf)	\$4.32	\$4.29	0.7%	\$4.44	\$4.53	\$4.95
Near month AECO contract	(Cdn\$/mcf)	\$3.54	\$3.60	-1.5%	\$3.50	\$3.75	\$3.70
FX		5-Aug	4-Aug	% Chg	1 Week Ago	1 Month Ago	1 Year Ago
Canadian dollar	(US\$/Cdn)	\$1.02	\$1.02	-0.1%	\$1.05	\$1.04	\$0.98
Canadian Equity Indices		5-Aug	4-Aug	% Chg	1 Week Ago	1 Month Ago	1 Year Ago
TSX 300 Composite		12,162	12,380	-1.8%	12,946	13,403	11,775
TSX Energy Producers Index		2,890	2,965	-2.5%	3,174	3,274	3,048
TSX Energy Services Index		1,640	1,701	-3.6%	1,830	1,711	1,165

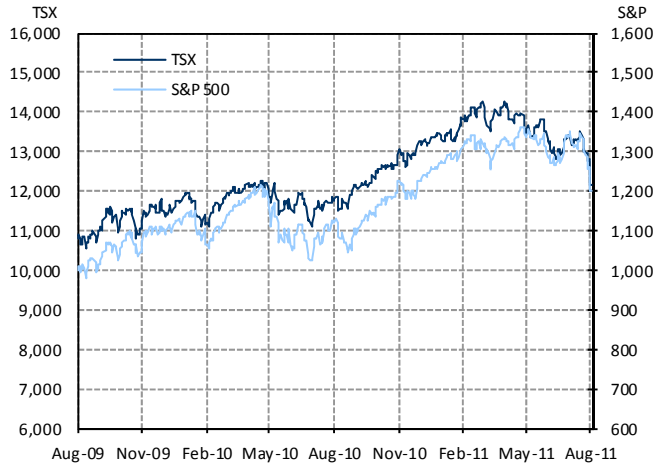
* Source: Cenovus Energy Inc.

Exhibit 2: Upcoming Events

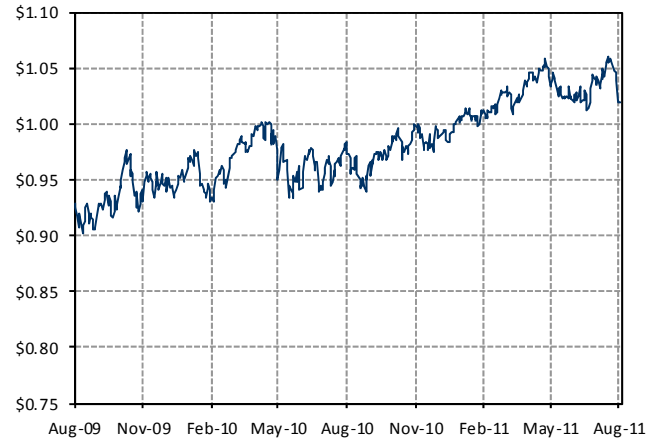
Tue-Aug-9	<ul style="list-style-type: none"> • OPEC Monthly Oil Market Report • EIA Short-Term Energy Outlook
Wed-Aug-10	<ul style="list-style-type: none"> • AB Land Sale
Wed-Aug-24	<ul style="list-style-type: none"> • AB Land Sale
Mon-Aug-29	<ul style="list-style-type: none"> • September NYMEX Expiry Date
Tue-Aug-30	<ul style="list-style-type: none"> • EIA Monthly Natural Gas Production Report
Wed-Aug-31	<ul style="list-style-type: none"> • EIA Monthly Energy Review • EIA International Energy Outlook
Mon-Sep-5	<ul style="list-style-type: none"> • Labour Day
Wed-Sep-7	<ul style="list-style-type: none"> • AB Land Sale
Mon-Sep-12	<ul style="list-style-type: none"> • OPEC Monthly Oil Market Report

Exhibit 3: Market Indexes

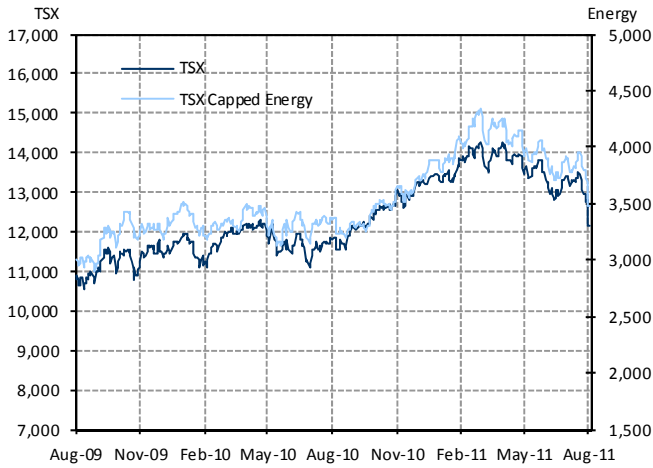
3.a TSX vs. S&P 500



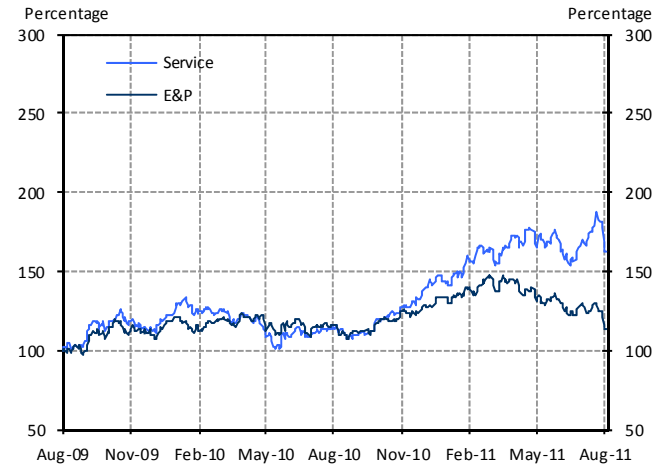
3.b CAD/USD



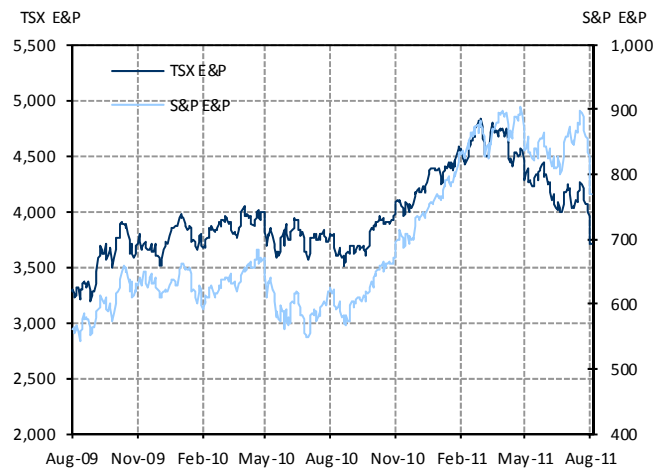
3.c TSX vs. TSX Capped Energy



3.d Canadian Energy Sub-indices



3.e TSX E&P Index vs. S&P E&P Index

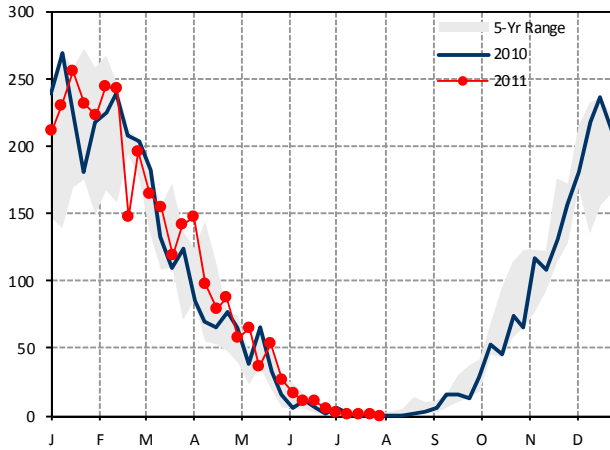


3.f TSX Energy Service vs. OSX

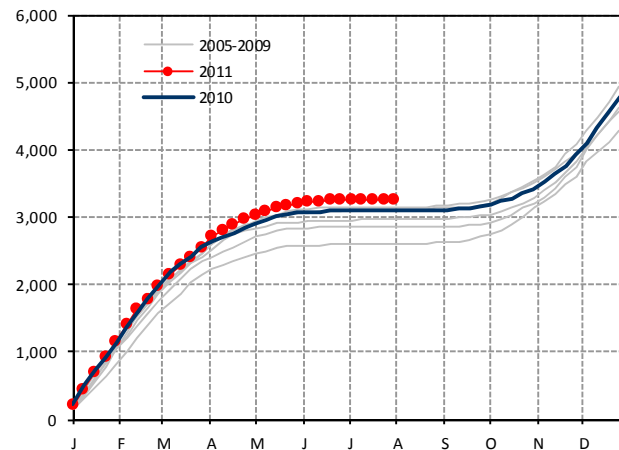


Exhibit 4: Weather

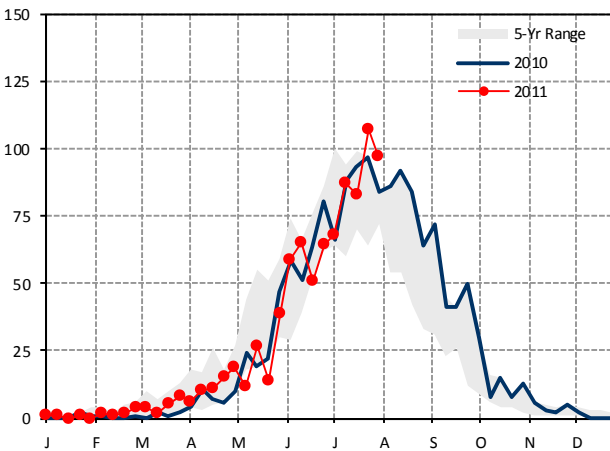
4.a Heating Degree Days (HDDs)



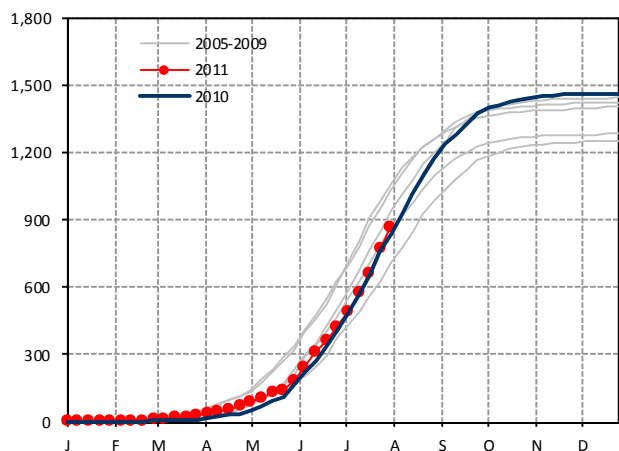
4.b Cumulative HDDs (bcf/degree day)



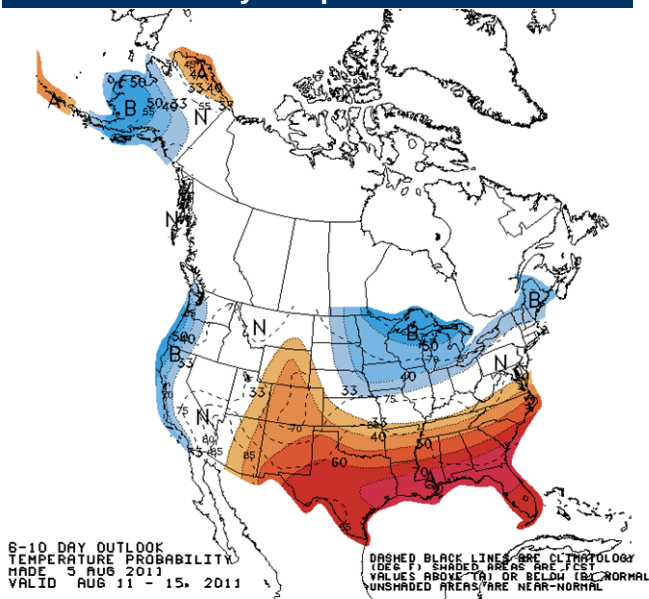
4.c Cooling Degree Days (CDDs)



4.d Cumulative CDDs (bcf/degree day)



4.e NOAA 6-10 Day Temperature Outlook



4.f NOAA One Month Temperature Outlook

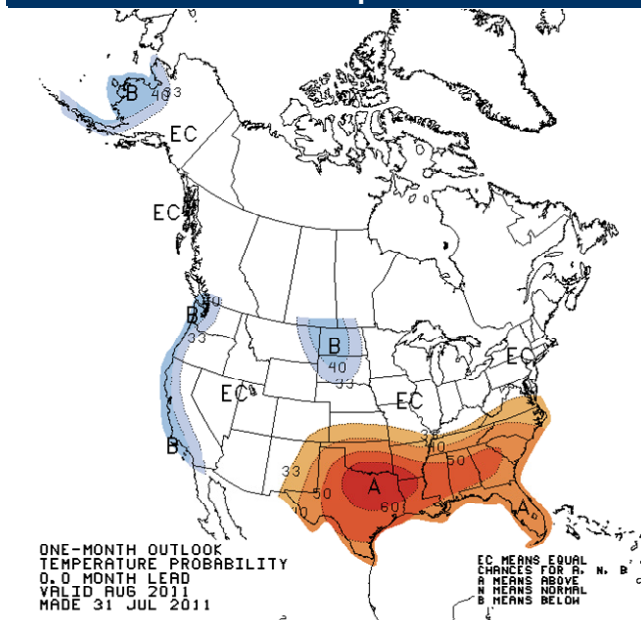


Exhibit 5: Natural Gas

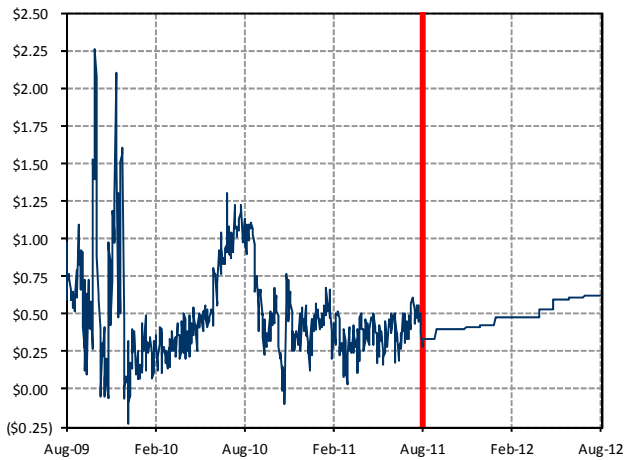
5.a NYMEX Gas 1-Mo & Strip Price (US\$/mcf)



5.b AECO 1-Mo & Strip Price (Cdn\$/Gj)



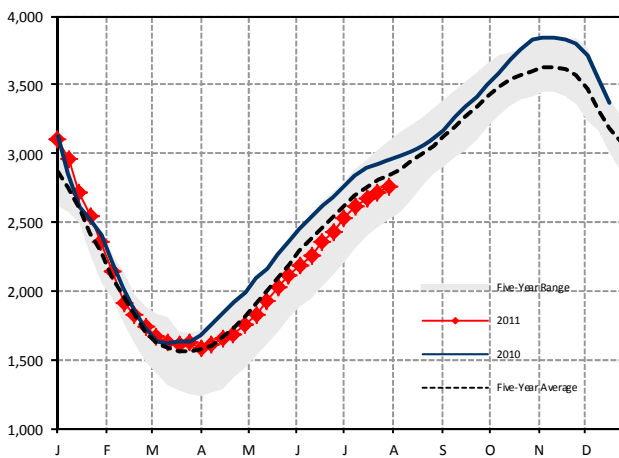
5.c AECO Differential to NYMEX (US\$/mcf)



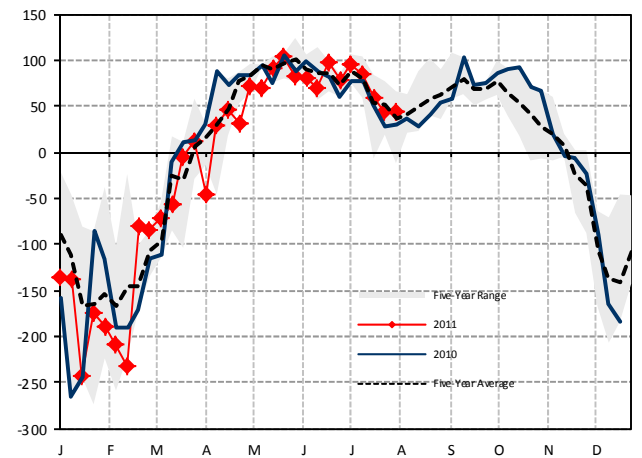
5.d Oil to Gas Ratio (WTI/NYMEX Gas)



5.e U.S. Natural Gas Storage (Bcf)



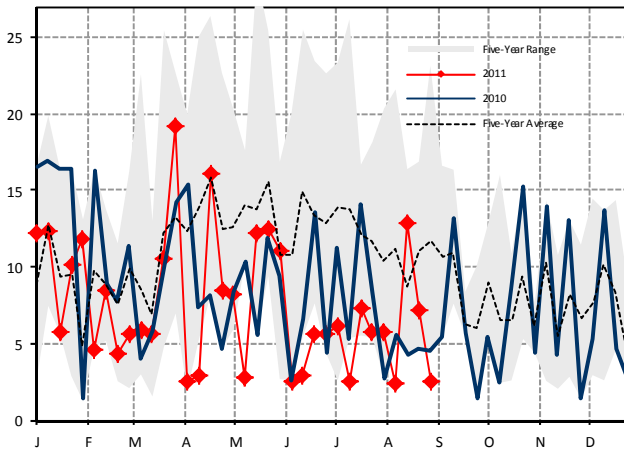
5.f Change in U.S. Natural Gas Storage (Bcf)



Sources: Bloomberg, Raymond James Ltd.

Exhibit 6: Natural Gas (continued)

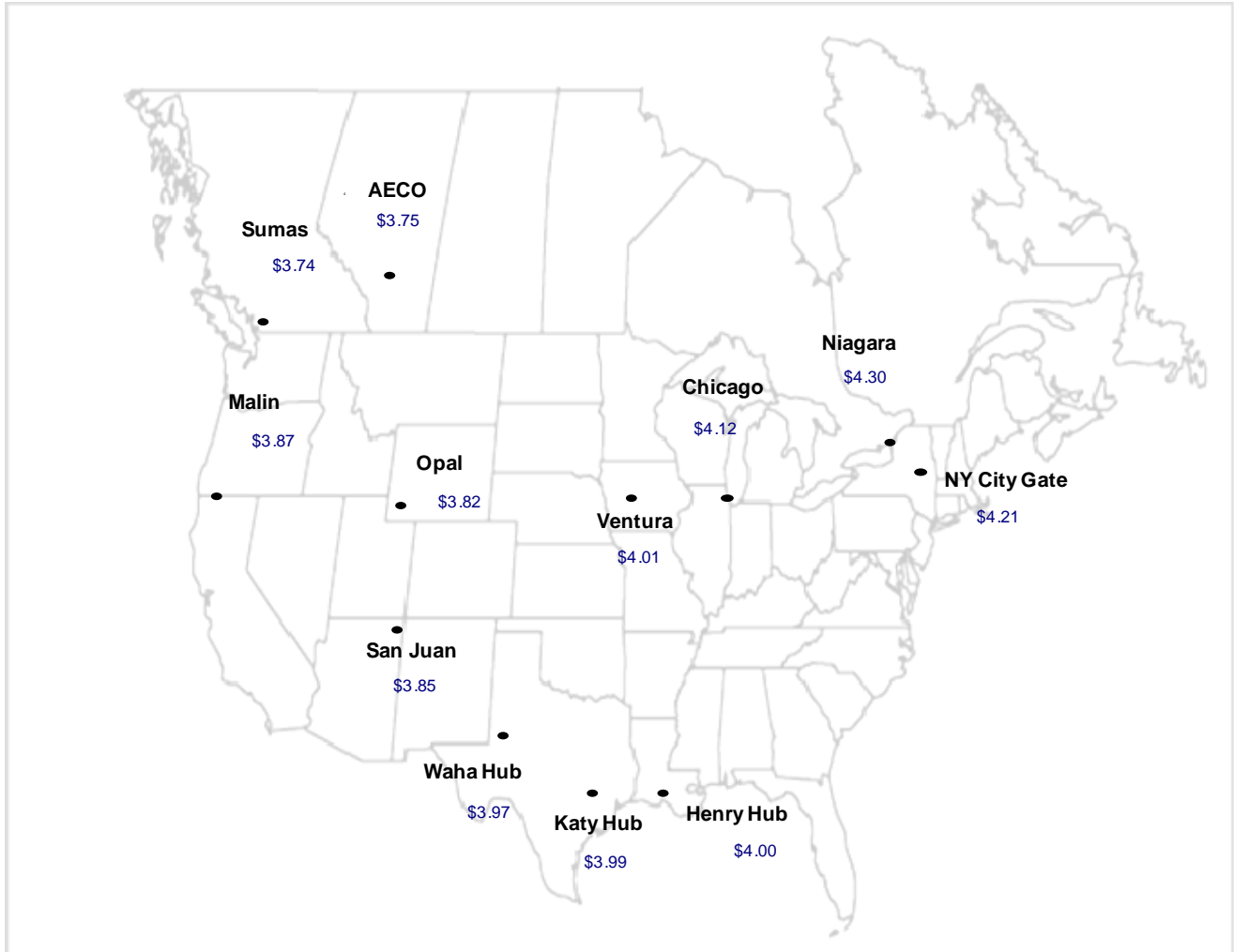
6.a Weekly U.S. LNG Imports (Bcf)



6.b LNG Netbacks - Landed (US\$/mcf)

Destination Port	Jun-11	Jul-11	Aug-11
Cove Point	\$4.40	\$4.39	\$3.95
Altamira	\$4.57	\$4.53	\$4.16
Lake Charles	\$3.93	\$3.89	\$3.55
Spain	\$9.15	\$9.18	\$8.61
Belgium	\$9.07	\$8.63	\$8.44
UK	\$8.99	\$8.39	\$7.79
India	\$12.00	\$13.73	\$13.23
Japan	\$13.10	\$14.47	\$14.98
Korea	\$13.10	\$14.38	\$14.98

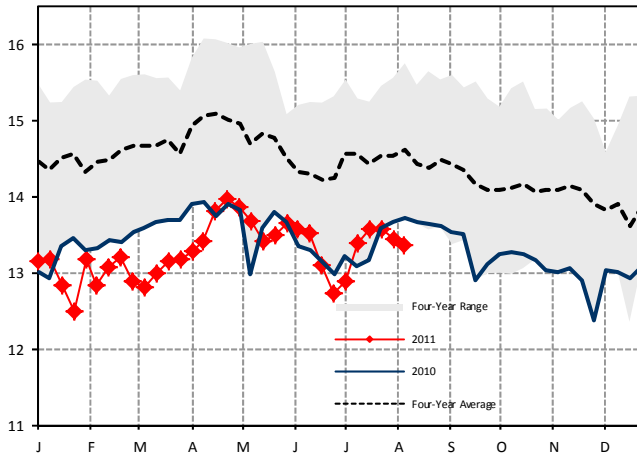
6.c N.A. Gas Spot Prices (US\$/mcf) - Friday Close



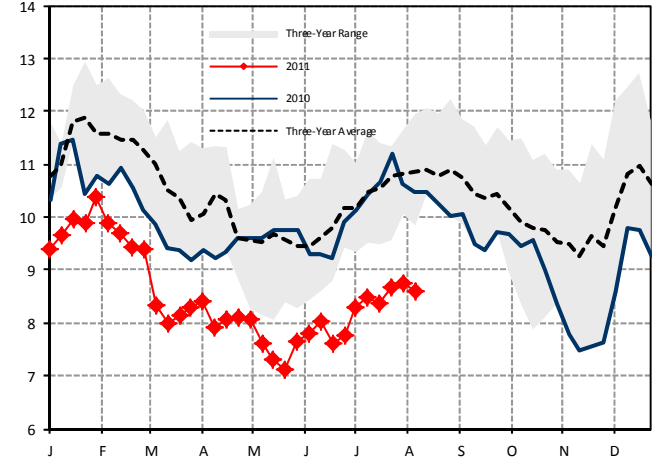
Sources: Bloomberg, Waterborne Energy, Raymond James Ltd.

Exhibit 7: Natural Gas (continued)

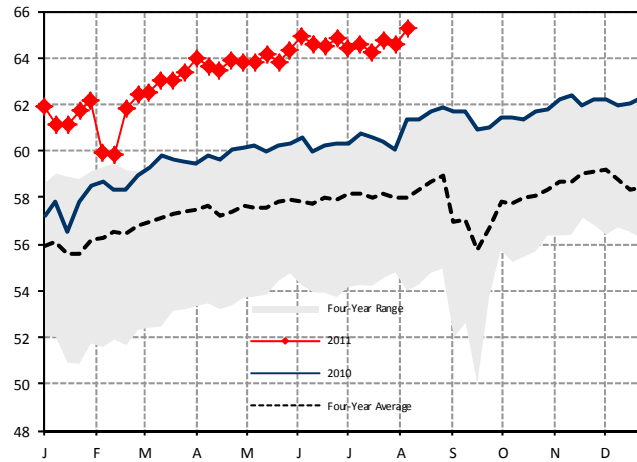
7.a Cdn Natural Gas Production (Bcf/d)



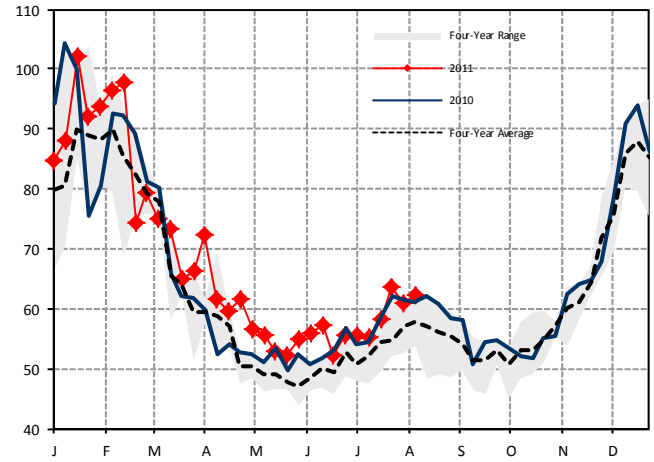
7.b Cdn Natural Gas Exports to U.S. (Bcf/d)



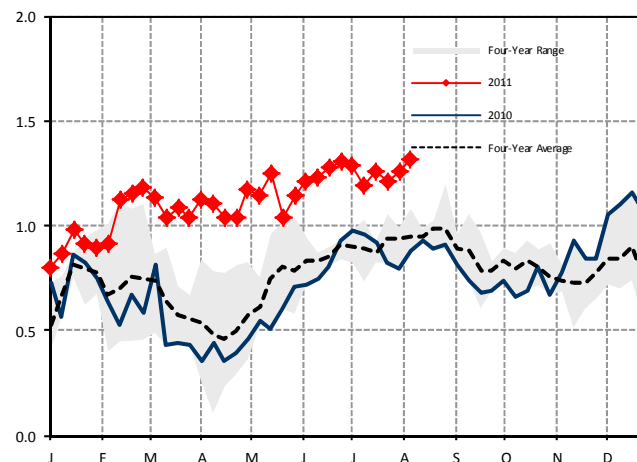
7.c U.S. Natural Gas Production (Bcf/d)



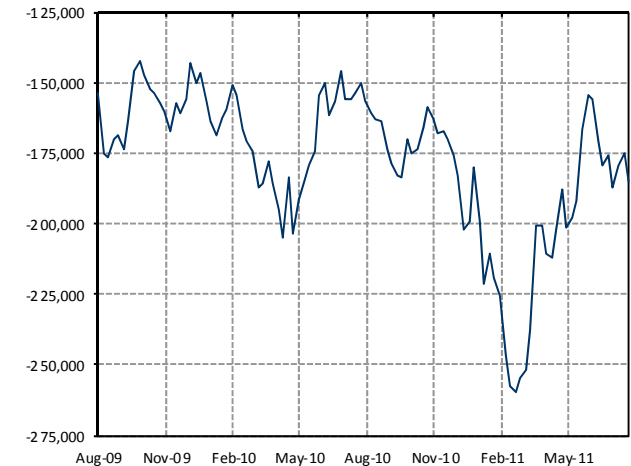
7.d U.S. Natural Gas Demand (Bcf/d)



7.e U.S. Natural Gas Exports to Mex. (Bcf/d)



7.f NYMEX Gas Non-Commercial Positions



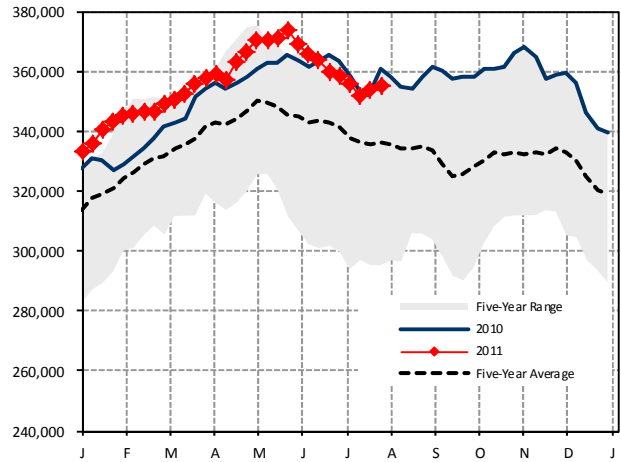
Sources: Bloomberg, Bentek Energy, Raymond James Ltd.

Exhibit 8: Crude Oil

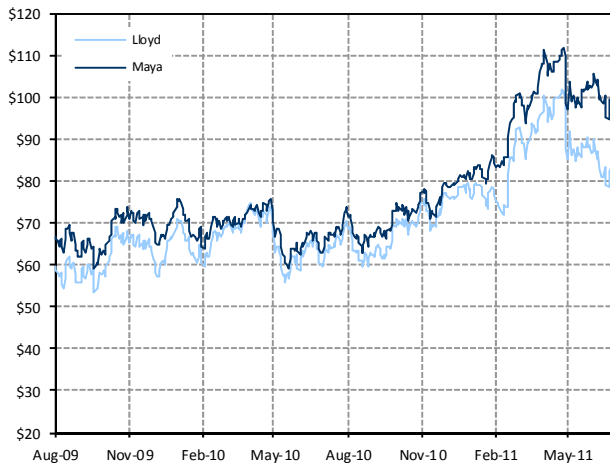
8.a Light Oil 1-Mo & Strip Price (US\$/bbl)



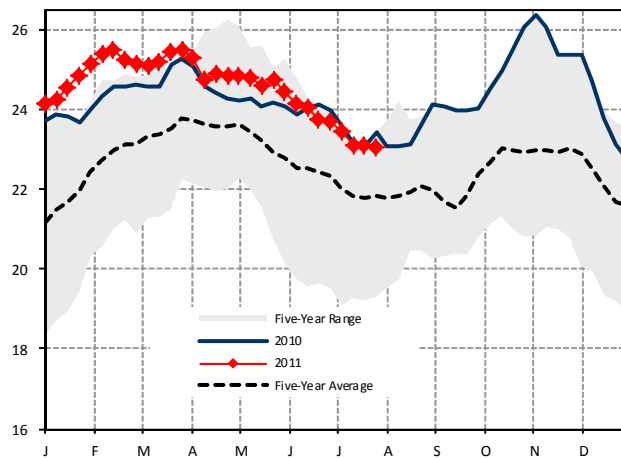
8.b Crude Oil Storage (000's of bbls)



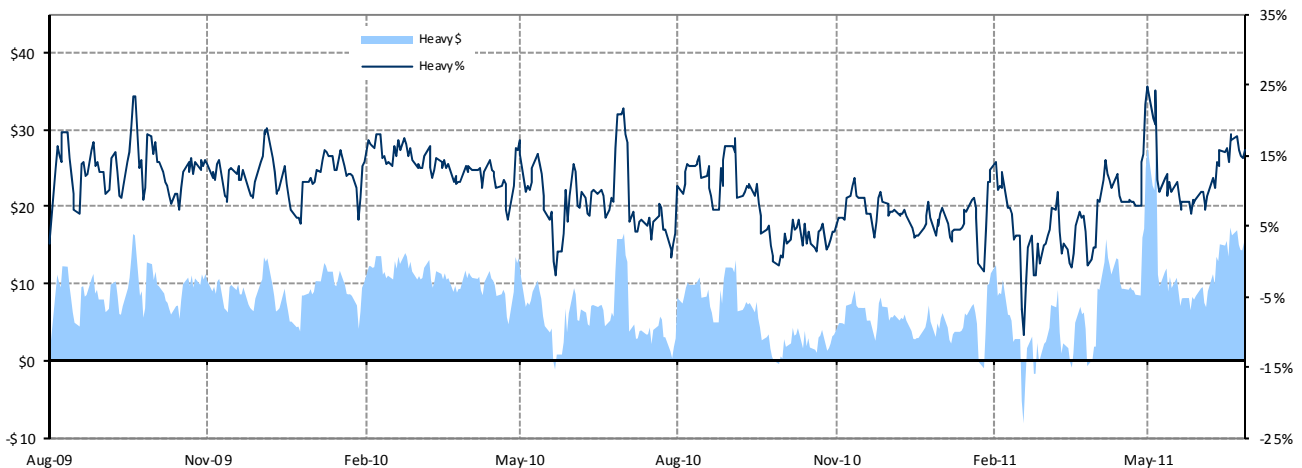
8.c Heavy Oil Prices (US\$/bbl)



8.d Crude Oil Storage (# of days of inventory)



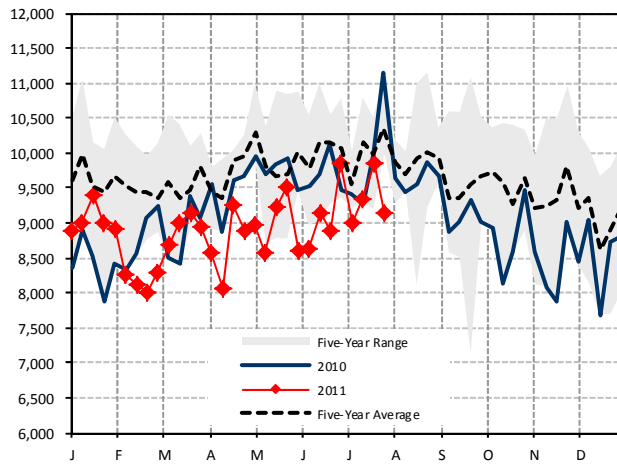
8.e Heavy Differential (in US\$/bbl & % of Edmonton Par)



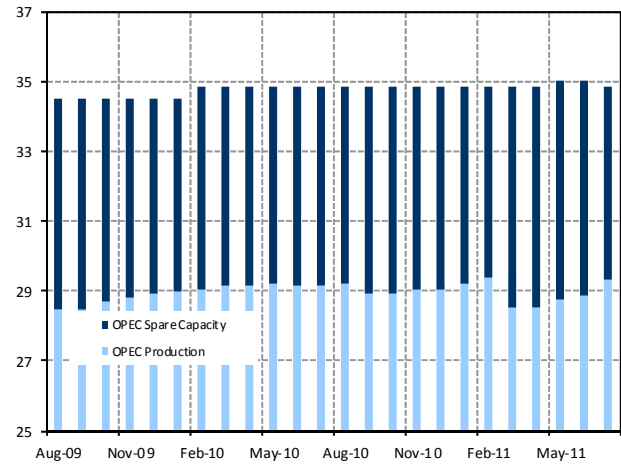
Sources: Bloomberg, Raymond James Ltd.

Exhibit 9: Crude Oil (continued) and Refining

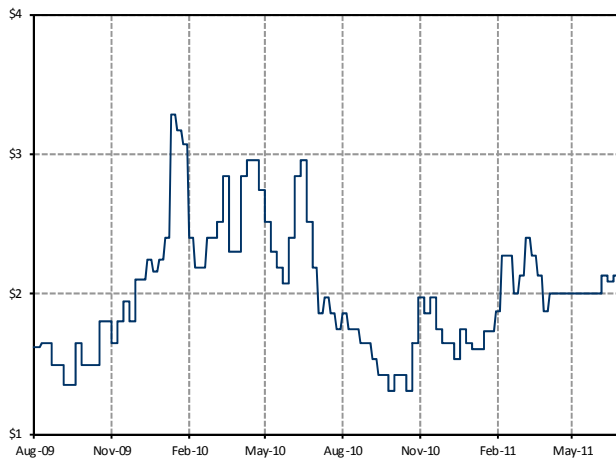
9.a U.S. Crude Imports (000's bbl/d)



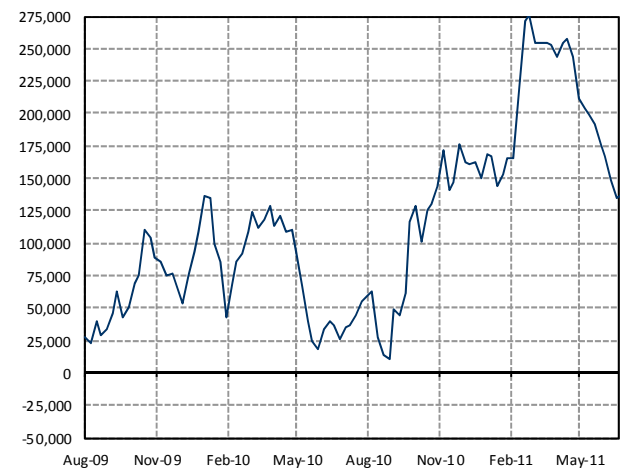
9.b OPEC Capacity and Production (mln bbl/d)



9.c Weekly Tanker Rates (US\$/bbl)



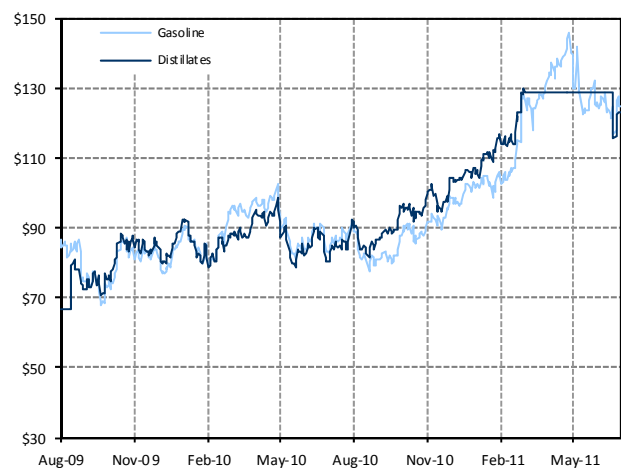
9.d WTI Oil Non - Commercial Positions



9.e U.S. Refining Margins (US\$/bbl)



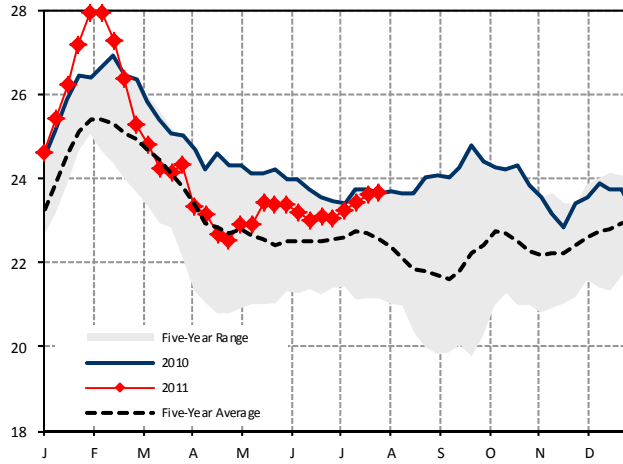
9.f Gasoline and Distillate Pricing (US\$/bbl)



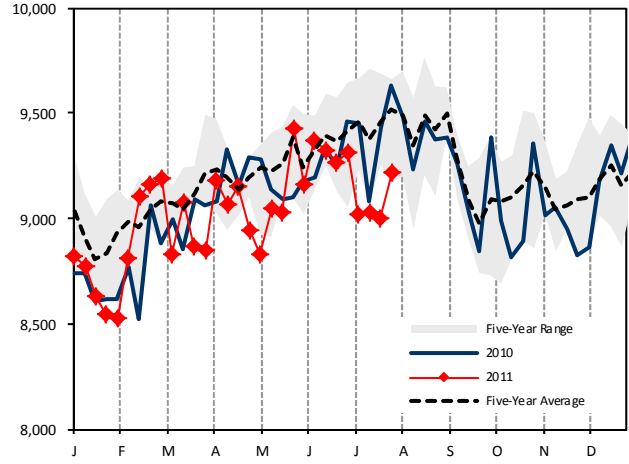
Sources: Bloomberg, Raymond James Ltd.

Exhibit 10: Refining (continued)

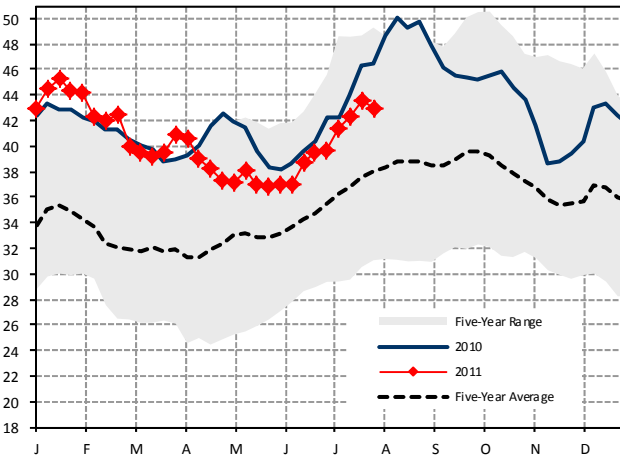
10.a Gasoline Storage (# of Days Fwd Supply)



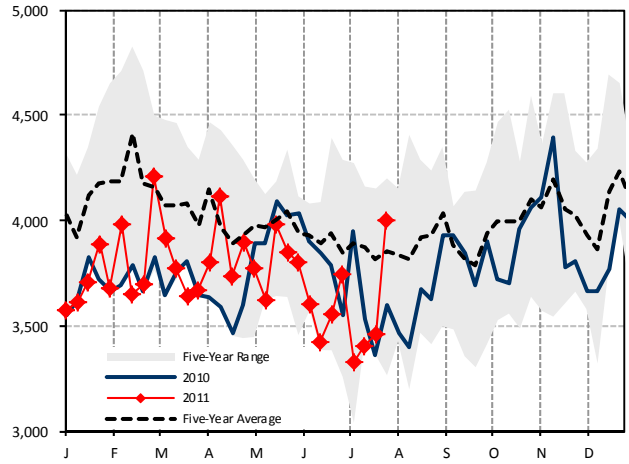
10.b Gasoline Demand (000's of bbls)



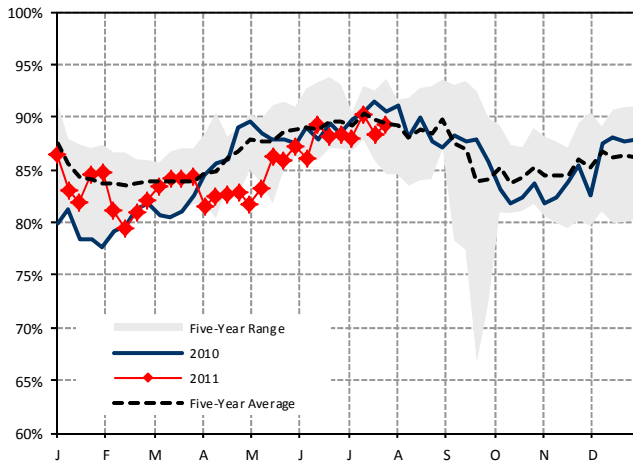
10.c Distillates Storage (# of Days Fwd Supply)



10.d Distillates Demand (000's of bbls)



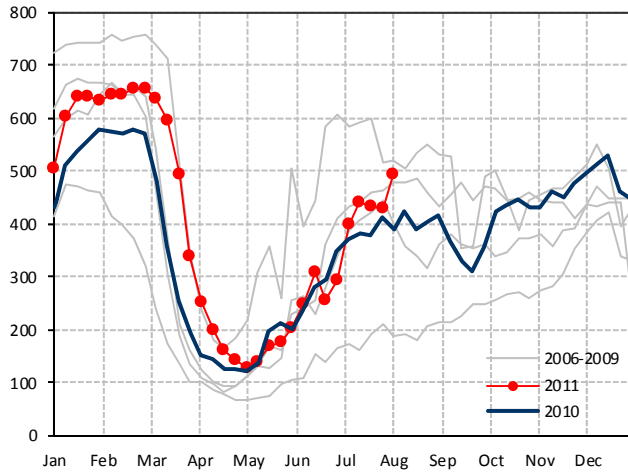
10.e Refinery Utilization Rate (% of Capacity)



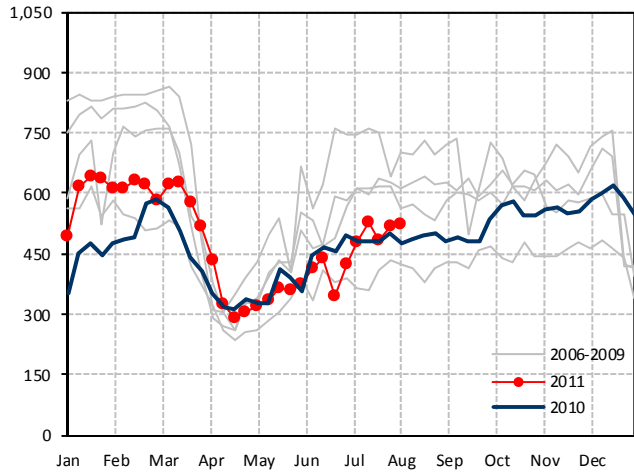
Sources: Bloomberg, Raymond James Ltd.

Exhibit 11: Energy Services

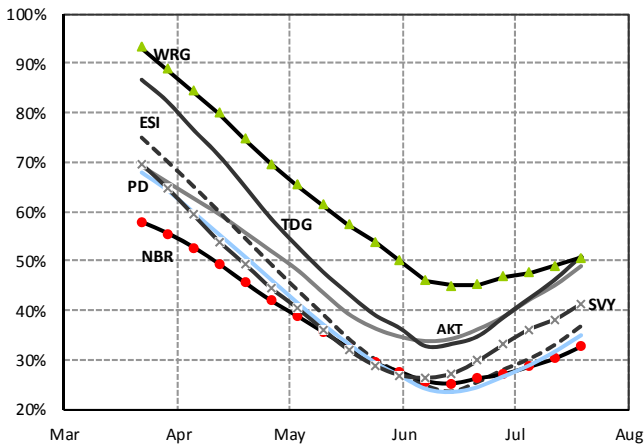
11.a Weekly Rig Count



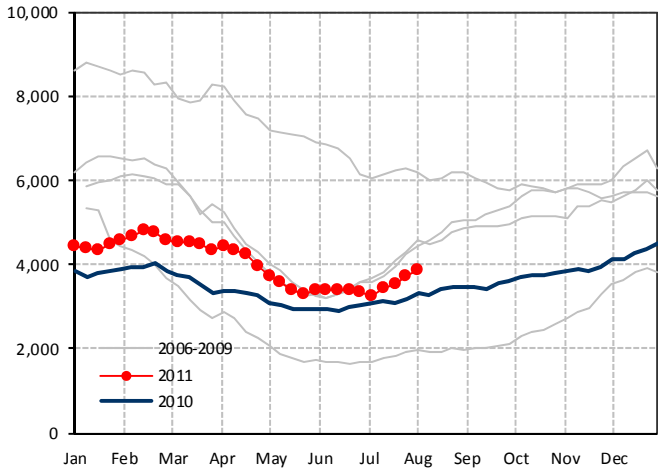
11.b Weekly Service Rig Count



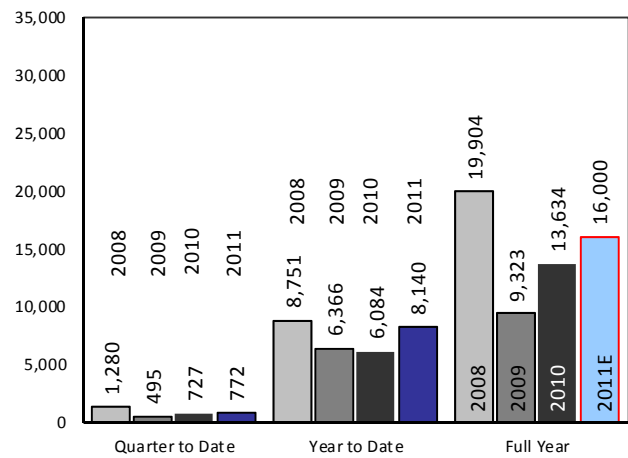
11.c Contractor Utilization (13-Wk MA)



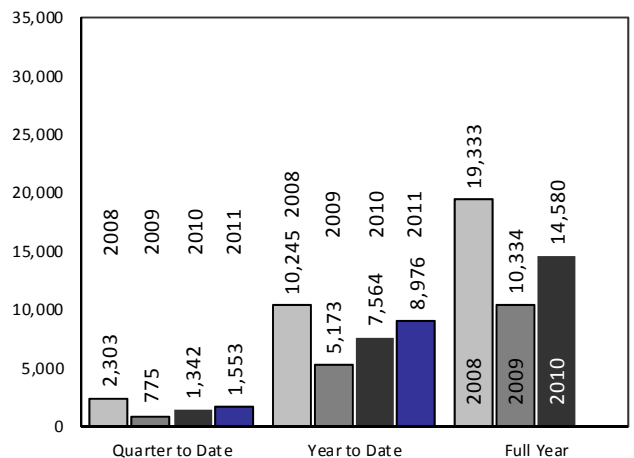
11.d Well Licenses (13-Wk Total)



11.e Well Completions



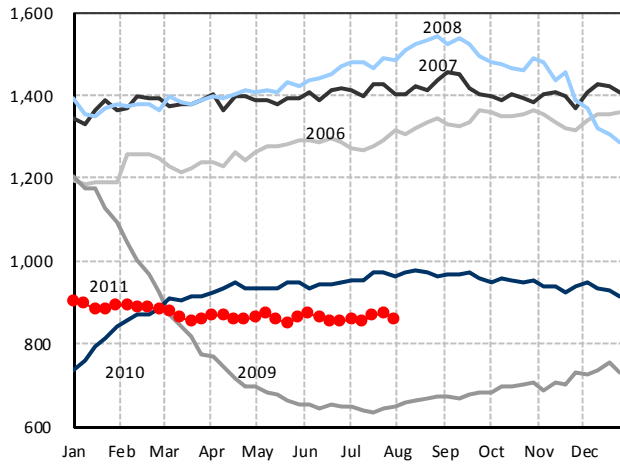
11.f Well Licenses



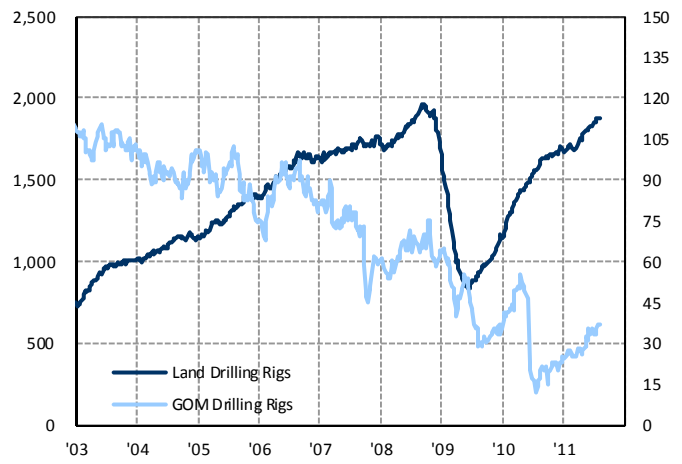
Sources: Nickle's Energy Group, CAODC, Raymond James Ltd.

Exhibit 12: Energy Services (continued)

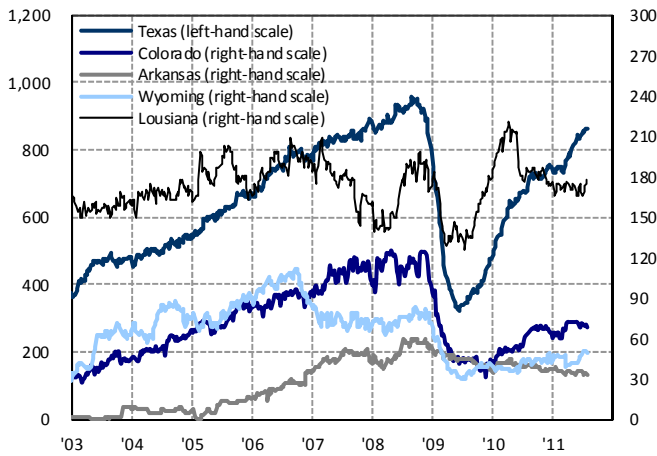
12.a U.S. Active Land Rigs Targeting Gas



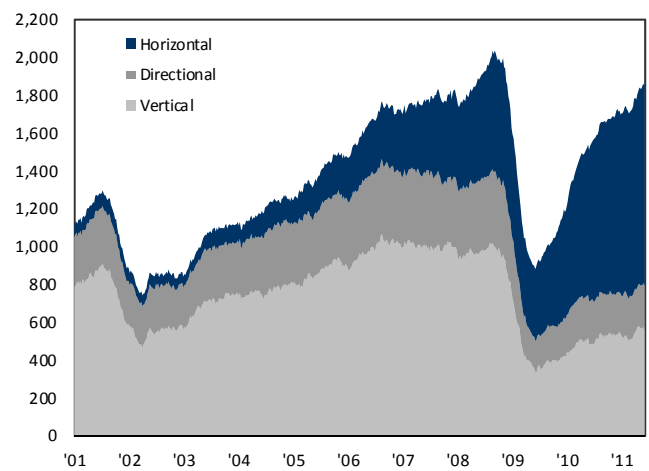
12.b U.S. Active Land and GOM Rig Count



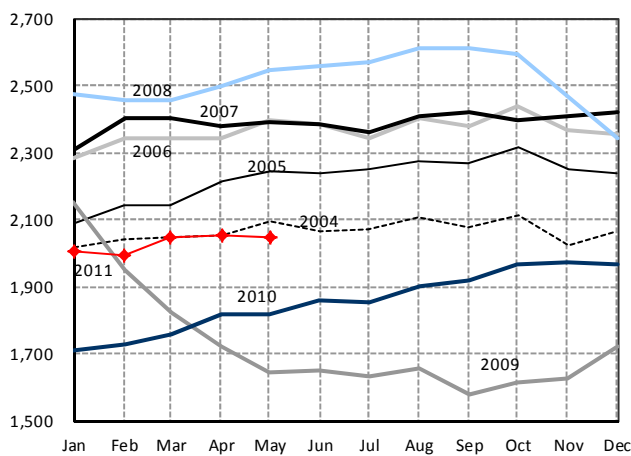
12.c U.S. State Drilling Rig Counts



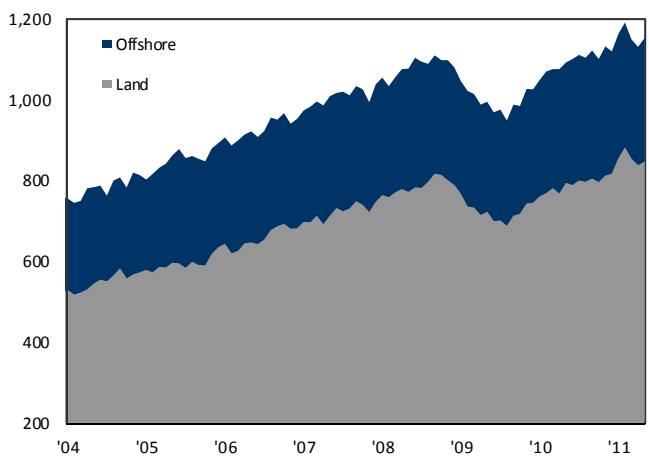
12.d U.S. Active Rigs by Drilling Type



12.e U.S. Active Well Service Rig Count



12.f International Active Rig Count



Sources: EIA, Baker Hughes, Raymond James Ltd.

Raymond James Canadian Energy Coverage Share Performance

Ticker	Price	Total Returns							Capital Returns (%)	
		1-Yr	YTD	QTD	1-Mo	MTD	Week	52-Week	52-Week	
		Low	Hi	Low	Hi	Low	Hi	Low	Hi	
Advantage	AAV	\$5.91	-9%	-13%	-23%	-23%	-11%	-11%	4%	-34%
Alter NRG	NRG	\$0.72	-53%	-50%	-29%	-22%	-14%	-14%	11%	-69%
ARC	ARX	\$23.03	15%	-9%	-8%	-7%	-8%	-8%	23%	-20%
ArPetrol	RPT	\$0.11	-45%	-51%	0%	0%	-9%	-9%	11%	-59%
Athabasca Oil Sands	ATH	\$12.98	13%	-14%	-15%	-12%	-17%	-17%	31%	-32%
AvenEx	AVF	\$4.84	-15%	-21%	-16%	-15%	-12%	-12%	8%	-26%
Bankers	BNK	\$5.10	-29%	-33%	-26%	-16%	-15%	-15%	3%	-49%
Baytex	BTE	\$49.11	47%	5%	-7%	-9%	-8%	-8%	49%	-16%
Birchcliff	BIR	\$12.69	27%	33%	-3%	-5%	-9%	-9%	61%	-12%
Black Diamond	BDI	\$28.50	58%	32%	-10%	-8%	-11%	-11%	75%	-12%
Bonavista	BNP	\$25.56	7%	-11%	-11%	-11%	-11%	-11%	14%	-20%
Calfrac	CFW	\$35.82	62%	5%	13%	11%	-1%	-1%	65%	-7%
Canadian Natural	CNQ	\$35.25	-3%	-21%	-13%	-14%	-9%	-9%	10%	-30%
Canadian Oil Sands	COS	\$24.05	-11%	-9%	-14%	-15%	-8%	-8%	4%	-29%
Canyon	FRC	\$13.79	158%	27%	4%	-4%	-9%	-9%	176%	-15%
Cenovus	CVE	\$33.93	19%	2%	-7%	-5%	-8%	-8%	30%	-13%
Cequence	CQE	\$3.78	79%	93%	14%	14%	-10%	-10%	147%	-11%
Connacher	CLL	\$0.90	-39%	-32%	-14%	-17%	-13%	-13%	2%	-46%
Crescent Point	CPG	\$39.56	5%	-10%	-11%	-9%	-8%	-8%	12%	-19%
Crew	CR	\$13.50	-16%	-29%	-10%	-8%	-11%	-11%	6%	-37%
Compass	CPO	\$1.60	23%	7%	1%	0%	-6%	-6%	105%	-30%
Crocotta	CTA	\$2.65	53%	51%	-9%	-16%	-12%	-12%	89%	-18%
Daylight	DAY	\$8.32	-10%	-19%	-11%	-11%	-9%	-9%	4%	-29%
Encana	ECA	\$25.01	-22%	-14%	-16%	-15%	-11%	-11%	1%	-27%
Enerflex	EFX	\$10.50	n/a	n/a	n/a	n/a	n/a	-11%	0%	-24%
Enerplus	ERF	\$26.31	11%	-14%	-14%	-14%	-12%	-12%	14%	-20%
Ensign	ESI	\$17.72	40%	18%	-7%	-9%	-14%	-14%	56%	-18%
Essential	ESN	\$1.93	68%	-10%	-9%	-13%	-12%	-12%	71%	-23%
Fairborne	FEL	\$4.22	-14%	0%	-11%	-14%	-13%	-13%	7%	-25%
GasFrac	GFS	\$9.40	n/a	2%	-24%	-7%	-22%	-11%	110%	-36%
Gran Tierra	GTE	\$5.94	-6%	-27%	-6%	-8%	-11%	-11%	4%	-37%
Greenfields	GNF'S	\$8.00	n/a	-11%	-11%	-11%	-7%	-7%	0%	-27%
Insignia	ISN	\$1.60	-16%	-11%	-6%	-9%	-6%	-6%	0%	-27%
Legacy	LEG	\$10.17	-11%	-35%	-13%	-13%	-10%	-10%	4%	-42%
Mullen	MTL	\$20.06	41%	19%	-1%	-3%	-10%	-10%	46%	-14%
NAL	NAE	\$9.59	-12%	-26%	-13%	-17%	-13%	-13%	3%	-34%
Nexen	NXV	\$19.87	-7%	-13%	-9%	-10%	-11%	-11%	8%	-27%
Niko	NKO	\$59.00	-46%	-43%	-2%	-6%	-10%	-10%	3%	-48%
Novus	NVS	\$0.88	2%	-21%	-4%	-3%	-5%	-5%	21%	-39%
Open Range	ONR	\$5.83	316%	207%	22%	13%	-10%	-10%	430%	-16%
OPTI Canada	OPC	\$0.12	-93%	-83%	5%	10%	0%	0%	28%	-93%
Pacific Rubiales	PRE	\$25.05	-2%	-26%	-3%	-1%	-9%	-9%	8%	-30%
Pan Orient	POE	\$3.65	-42%	-45%	-32%	-31%	-17%	-17%	1%	-58%
Parex	PXT	\$6.65	18%	-23%	-16%	-14%	-11%	-11%	25%	-31%
Pengrowth	PGF	\$10.68	-1%	-16%	-16%	-18%	-16%	-17%	26%	-23%
Perpetual	PMT	\$3.00	-42%	-24%	-4%	-6%	-8%	-8%	6%	-42%
Petroamerica	PTA	\$0.13	-68%	-79%	-19%	-10%	-16%	-16%	8%	-82%
PetroBakken	PBN	\$12.13	-45%	-44%	-8%	-11%	-14%	-14%	1%	-49%
Petrobank	PBG	\$12.78	-69%	-49%	-10%	-13%	-14%	-14%	2%	-72%
Petrodorado	PDQ	\$0.25	-25%	-65%	-18%	-19%	-4%	-4%	0%	-68%

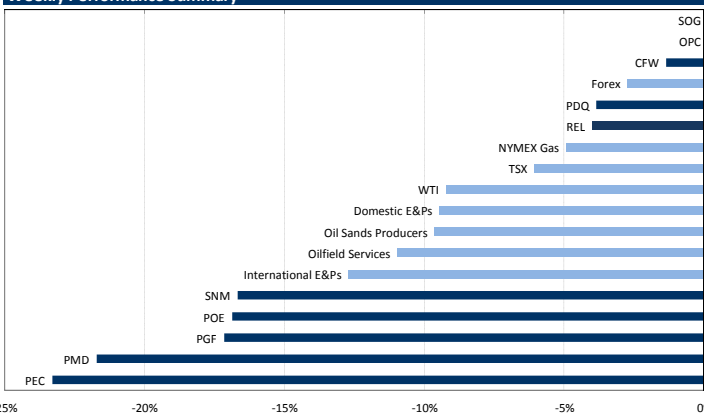
Ticker	Price	Total Returns							Capital Returns (%)	
		1-Yr	YTD	QTD	1-Mo	MTD	Week	52-Week	52-Week	
		Low	Hi	Low	Hi	Low	Hi	Low	Hi	
Petromanas	PMI	\$0.20	-48%	-49%	-31%	-27%	-11%	-11%	8%	-64%
PetroNova	PNA	\$1.01	n/a	-36%	-8%	-6%	-12%	-12%	19%	-52%
PetroMagdalena	PMD	\$1.01	-67%	-73%	-34%	-33%	-22%	-22%	10%	-82%
Petrominerales	PMG	\$26.01	-11%	-22%	-8%	-7%	-15%	-15%	10%	-38%
Porto Energy	PEC	\$0.56	n/a	n/a	-33%	-33%	-23%	-23%	4%	-44%
Precision	PD	\$13.87	88%	44%	0%	-1%	-16%	-16%	123%	-19%
Progress	PRQ	\$13.14	9%	3%	-4%	-5%	-5%	-5%	28%	-16%
Pure	PSV	\$7.28	137%	22%	-7%	-7%	-11%	-11%	155%	-15%
Reliable	REL	\$0.36	22%	6%	-5%	-15%	-4%	-4%	29%	-35%
Renegade	RPL	\$2.99	-2%	-26%	-3%	-7%	-9%	-9%	7%	-40%
Savanna	SVY	\$8.27	50%	17%	-5%	-11%	-15%	-15%	63%	-23%
Secure	SES	\$7.90	108%	35%	-18%	-19%	-12%	-12%	121%	-22%
Shamaram	SNM	\$0.60	46%	-56%	-21%	-20%	-17%	-17%	58%	-58%
Southern Pacific	STP	\$1.46	39%	-13%	-6%	-9%	-11%	-11%	49%	-25%
Strad	SDY	\$4.10	n/a	6%	-1%	-5%	-7%	-7%	19%	-22%
Strategic	SOG	\$0.90	2%	-24%	-10%	-9%	0%	0%	50%	-36%
Suncor	SU	\$32.34	-5%	-16%	-14%	-16%	-12%	-12%	4%	-32%
Suroco	SRN	\$0.55	31%	-17%	-2%	-7%	-11%	-11%	38%	-42%
Talisman	TLM	\$16.62	-8%	-25%	-16%	-17%	-4%	-4%	3%	-33%
Trican	TCW	\$23.07	48%	15%	2%	-2%	-8%	-8%	65%	-14%
Trinidad	TDG	\$8.55	57%	36%	2%	-1%	-14%	-14%	76%	-24%
Twin Butte	TBE	\$2.16	65%	6%	-11%	-18%	-14%	-14%	73%	-39%
Vermilion	VET	\$44.86	38%	-3%	-12%	-10%	-6%	-6%	37%	-14%
Waldron	WDN	\$2.30	14%	-7%	-19%	-21%	-11%	-11%	22%	-45%
Western	WRG	\$8.37	99%	16%	12%	3%	-15%	-15%	120%	-15%
WesternZagros	WZR	\$0.59	48%	24%	-5%	-6%	-9%	-9%	62%	-41%
WestFire	WFE	\$6.05	5%	-12%	-12%	-18%	-14%	-14%	34%	-39%
Yangarra	YGR	\$0.68	6%	-11%	8%	3%	-9%	-9%	24%	-25%
Zargon	ZAR	\$17.84	0%	-21%	-17%	-17%	-8%	-8%	5%	-26%
Zodiac	ZEX	\$0.58	n/a	-17%	-26%	-16%	-9%	-9%	29%	-58%

Energy Sub-Sector Performance

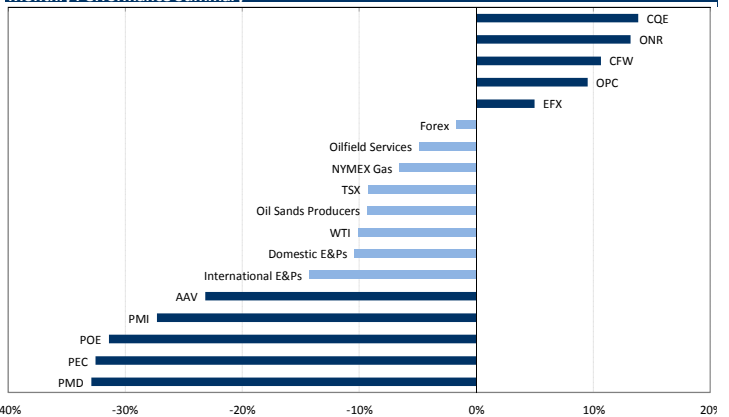
	Total Returns							Capital Returns (%)	
	1-Yr	YTD	QTD	1-Mo	MTD	Week	52-Week	52-Week	
	Low	Hi	Low	Hi	Low	Hi	Low	Hi	
Near-Month WTI Contract (US\$/bbl)	8%	-5%	-9%	-10%	-9%	-9%	21%	-24%	
Near month NYMEX contract (US\$/mcf)	-12%	-11%	-10%	-7%	-5%	-5%	20%	-20%	
Domestic E&Ps	12%	-4%	-9%	-10%	-9%	-9%	37%	-30%	
International E&Ps	-14%	-35%	-15%	-14%	-13%	-13%	15%	-51%	
Oil Sands Producers	-11%	-23%	-9%	-9%	-10%	-10%	21%	-38%	
Oilfield Services	63%	18%	-3%	-5%	-11%	-11%	84%	-19%	
Oil-Weighted E&Ps	0%	-20%	-10%	-11%	-11%	-11%	30%	-40%	
Gas-Weighted E&Ps	11%	-5%	-11%	-11%	-11%	-10%	42%	-31%	
Balanced E&Ps	43%	19%	-6%	-7%	-9%	-10%	64%	-23%	
Large-Cap	7%	-10%	-9%	-9%	-10%	-10%	23%	-26%	
Mid-Cap	27%	-5%	-11%	-12%	-12%	-12%	52%	-32%	
Small-Cap	13%	-9%	-9%	-10%	-10%	-10%	49%	-41%	

Leaders & Laggards

Weekly Performance Summary



Monthly Performance Summary



*This analysis does not include transaction costs and tax considerations. If included these costs could reduce an investor's return. Past performance is not indicative of future results

Junior Producers

Company Name	Symbol	Closing Price	Target Price	Stock Rating	Target Return	Mkt Cap (\$mln)	Current Yield	NAV	CFPS		Production		% Gas		EV/BOE/d		EV/EBITDA		EV/BOE		P/P	P/CF		Analyst
									11E	12E	11E	12E	11E	12E	11E	12E	11E	12E	11E	12E		11E	12E	
Coquency Energy	CQE	\$3.78	\$4.00	MP3	5.8%	\$482	0.0%	\$4.61	\$0.28	\$0.54	8,861	14,346	87%	88%	\$57,792	\$38,472	10.8x	6.3x	\$18.71	\$10.47	\$10.47	13.5x	7.0x	LM
Compass Petroleum*	CPO	\$1.60	\$2.75	OP2	71.9%	\$96	0.0%	\$3.52	\$0.28	\$0.53	1,242	1,836	33%	13%	\$98,023	\$97,756	na	4.9x	\$22.64	\$15.13	\$15.13	5.8x	3.0x	LM
Crocotta Energy	CTA	\$2.65	\$3.25	OP2	6.6%	\$216	0.0%	\$3.98	\$0.32	\$0.59	3,463	5,326	66%	63%	\$69,549	\$45,731	10.4x	4.9x	\$24.50	\$14.93	\$14.93	8.2x	4.5x	LM
Insigra Energy	ISN	\$1.60	\$2.75	OP2	71.9%	\$49	0.0%	\$2.74	\$0.66	\$0.76	3,661	3,657	76%	71%	\$24,657	\$25,504	4.4x	3.5x	na	\$8.16	\$8.16	2.4x	2.1x	LM
Novus Energy	NVS	\$0.88	\$1.50	OP2	70.5%	\$152	0.0%	\$1.97	\$0.15	\$0.23	1,995	2,957	25%	27%	\$98,149	\$89,660	8.1x	5.2x	na	\$21.19	\$22.67	5.8x	3.8x	LM
Open Range Energy	ONR	\$5.83	\$6.50	OP2	11.5%	\$413	0.0%	\$6.71	\$1.17	\$1.98	4,525	6,846	90%	92%	\$101,889	\$90,841	5.5x	3.0x	\$36.41	\$22.67	\$22.67	5.3x	2.9x	LM
Reliable Energy	REL	\$0.36	\$0.60	OP2	66.7%	\$87	0.0%	\$0.72	\$0.07	\$0.13	768	1,249	0%	0%	\$142,465	\$91,780	6.9x	3.5x	\$153.98	\$80.98	\$80.98	5.3x	2.7x	LM
Renegade Petroleum	RPL	\$2.89	\$5.00	OP2	67.2%	\$231	0.0%	\$6.42	\$0.50	\$0.91	2,291	3,497	4%	2%	\$114,807	\$79,376	7.1x	4.0x	na	\$32.33	\$32.33	6.0x	3.3x	LM
Strategic Oil & Gas	SOG	\$0.80	\$1.75	OP2	94.4%	\$127	0.0%	\$2.39	\$0.03	\$0.25	1,307	2,631	16%	6%	\$104,237	\$52,638	na	4.4x	\$2.32	\$28.78	\$28.78	32.3x	3.6x	LM
Twin Butte Energy	TBE	\$2.16	\$3.75	OP2	73.6%	\$300	0.0%	\$4.78	\$0.46	\$0.67	8,069	9,018	41%	35%	\$47,664	\$24,321	6.1x	3.5x	\$16.78	\$10.27	\$10.27	4.7x	3.2x	LM
Waldron Energy	WDN	\$2.30	\$4.50	OP2	95.7%	\$79	0.0%	\$5.21	\$0.53	\$0.83	3,148	3,971	77%	76%	\$31,031	\$24,598	4.9x	3.1x	\$14.48	\$7.48	\$7.48	4.3x	2.8x	KZ
Westfire Energy	WFE	\$6.05	\$11.50	SBI	90.1%	\$502	0.0%	\$14.06	\$1.02	\$2.24	6,447	11,198	36%	29%	\$91,366	\$52,466	7.3x	3.1x	\$25.19	\$15.82	\$15.82	5.9x	2.7x	LM
Yangarra Resources	YGR	\$0.68	\$0.90	OP2	32.4%	\$81	0.0%	\$1.01	\$0.13	\$0.24	1,439	2,421	61%	60%	\$70,359	\$43,447	7.3x	3.6x	\$41.32	\$20.12	\$20.12	5.2x	2.9x	LM
Zodiac Exploration	ZEX	\$0.58	\$2.00	OP2	244.8%	\$245	0.0%	\$2.02	\$0.00	\$0.00	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$15.82	\$15.82	n/a	n/a	n/a
Median					71.2%										\$91,366	\$52,466	7.1x	3.6x	\$24.85	\$15.82	\$15.82	5.8x	3.0x	

* Compass year-end is June 30. Annual numbers presented are based on January to December timeframe (i.e. Calendar year)

Intermediate Producers

Company Name	Symbol	Closing Price	Target Price	Stock Rating	Target Return	Mkt Cap (\$mln)	Current Yield	NAV	CFPS		Production		% Gas		EV/BOE/d		EV/EBITDA		EV/BOE		P/P	P/CF		Analyst
									11E	12E	11E	12E	11E	12E	11E	12E	11E	12E	11E	12E				
Advantage	AAV	\$5.91	\$9.00	OP2	52.3%	\$968	-	\$10.75	\$0.95	\$1.00	24,135	27,727	89%	96%	\$51,953	\$45,335	9.1x	8.5x	\$8.82	\$5.13	\$5.13	6.2x	5.9x	LM
ARC	ARX	\$23.03	\$24.50	MP3	11.6%	\$6,521	5.2%	\$21.91	\$2.97	\$2.94	83,020	94,639	61%	64%	\$80,209	\$78,257	8.3x	8.3x	\$22.02	\$15.19	\$15.19	7.7x	7.8x	KZ
Avenex	AVF	\$4.84	\$6.00	OP2	35.1%	\$256	11.2%	\$3.56	\$1.00	\$1.09	5,197	5,195	53%	49%	\$59,320	\$59,341	5.6x	4.9x	\$28.55	\$20.17	\$20.17	4.8x	4.4x	KZ
Birchcliff	BR	\$12.69	\$10.75	MP3	-15.3%	\$1,618	-	\$12.23	\$1.17	\$1.47	18,464	22,734	76%	80%	\$110,077	\$89,063	13.0x	10.4x	\$17.83	\$10.09	\$10.09	10.8x	8.6x	LM
Baytex	BTE	\$49.11	\$53.00	MP3	12.8%	\$5,653	4.9%	\$54.00	\$4.58	\$5.60	49,200	53,343	17%	17%	\$128,425	\$118,452	11.1x	8.9x	\$45.07	\$27.59	\$27.59	10.7x	8.8x	KZ
Bonavista	BNP	\$25.56	\$31.00	OP2	26.9%	\$3,979	5.6%	\$26.67	\$3.70	\$4.15	70,046	74,976	62%	63%	\$71,686	\$66,973	7.9x	7.2x	\$22.44	\$16.10	\$16.10	6.9x	6.2x	KZ
Crescent Point	CPG	\$39.56	\$51.00	OP2	35.9%	\$10,667	7.0%	\$56.16	\$4.41	\$5.09	71,934	75,466	10%	11%	\$165,947	\$158,179	11.0x	7.8x	\$47.59	\$31.45	\$31.45	9.0x	7.8x	KZ
Crew	CR	\$13.50	\$20.00	OP2	48.1%	\$1,630	-	\$22.13	\$1.49	\$2.88	22,474	32,430	48%	39%	\$86,137	\$57,564	11.6x	5.3x	\$27.97	\$16.46	\$16.46	9.1x	4.7x	LM
Daylight	DAY	\$8.32	\$11.50	OP2	45.4%	\$1,769	7.2%	\$10.65	\$1.41	\$1.56	38,748	43,631	62%	57%	\$65,029	\$57,751	6.7x	6.1x	\$26.26	\$14.47	\$14.47	5.9x	5.3x	KZ
Enbridge	ERF	\$26.31	\$31.00	MP3	26.0%	\$4,717	8.2%	\$32.96	\$3.79	\$4.56	76,912	82,989	55%	51%	\$74,323	\$68,881	7.6x	6.4x	\$26.06	\$18.67	\$18.67	6.9x	5.8x	KZ
Fairbairn	FEL	\$4.22	\$6.50	OP2	54.0%	\$433	-	\$6.11	\$0.98	\$1.08	15,017	16,594	77%	79%	\$44,053	\$39,867	4.0x	5.0x	\$13.23	\$9.07	\$9.07	4.3x	3.9x	KZ
Legacy	LEG	\$10.17	\$18.50	SBI	81.9%	\$1,453	-	\$17.40	\$1.99	\$1.99	12,601	15,099	19%	16%	\$135,590	\$113,157	7.9x	5.5x	\$35.55	\$21.96	\$21.96	7.2x	5.1x	KZ
NAE	NAE	\$9.59	\$13.50	OP2	49.5%	\$1,417	8.8%	\$13.28	\$1.73	\$2.07	28,658	30,877	53%	51%	\$67,054	\$62,235	6.6x	5.4x	\$27.07	\$18.49	\$18.49	5.5x	4.6x	KZ
Perpetual	PMT	\$3.00	\$4.00	MP3	39.3%	\$445	6.0%	\$4.30	\$0.73	\$0.74	24,611	25,700	91%	88%	\$37,089	\$35,518	7.2x	6.8x	\$23.22	\$12.02	\$12.02	4.1x	4.1x	KZ
Pengrowth	PGF	\$10.68	\$14.00	OP2	39.0%	\$3,493	7.9%	\$14.54	\$1.88	\$2.02	74,295	78,950	50%	48%	\$62,634	\$58,934	6.7x	6.1x	\$21.05	\$14.61	\$14.61	5.7x	5.3x	KZ
PetroBakken	PBN	\$12.13	\$16.50	OP2	43.9%	\$2,271	7.9%	\$13.53	\$3.60	\$4.03	40,175	42,037	15%	19%	\$101,711	\$97,206	5.4x	4.8x	\$40.06	\$24.06	\$24.06	3.4x	3.0x	JB
Progress	PRQ	\$13.14	\$16.50	OP2	28.6%	\$3,020	3.0%	\$16.26	\$1.05	\$1.09	44,663	52,387	88%	90%	\$77,579	\$66,141	13.1x	12.2x	\$22.54	\$13.67	\$13.67	12.5x	12.0x	KZ
Vermilion	VET	\$44.86	\$55.00	OP2	27.7%	\$4,052	5.1%	\$52.95	\$4.87	\$6.32	36,050	39,755	36%	34%	\$127,023	\$115,186	7.0x	6.0x	\$47.49	\$32.17	\$32.17	9.2x	7.1x	KZ
Zargon	ZAR	\$17.84	\$20.50	MP3	24.3%	\$518	9.4%	\$20.29	\$2.47	\$3.18	8,933	8,916	40%	36%	\$68,887	\$69,018	7.5x	5.9x	\$27.31	\$19.00	\$19.00	7.2x	5.6x	KZ
Median					35.9%										\$74,323	\$66,973	7.6x	6.1x	\$26.26	\$16.46	\$16.46	6.9x	5.6x	

Senior Producers

Company Name	Symbol	Closing Price	Target Price	Stock Rating	Target Return	Mkt Cap (\$mln)	Current Yield	NAV	CPS		P/CF		% Gas		EV/BOE/d		EV/EBITDA		Analyst
									11E	12E	11E	12E	11E	12E	11E	12E	11E	12E	
Canadian Natural	CNQ	\$35.25	\$52.00	OP2	48.5%	\$38,936	1.0%	\$54.21	\$5.32	\$7.66	6.6x	4.6x	35%	30%	\$80.781	\$71.263	6.2x	4.4x	JB/KZ
EnCana*	ECA	\$25.01	\$33.00	MP3	35.1%	\$18,412	3.1%	\$30.51	\$5.68	\$6.21	4.4x	4.0x	96%	95%	\$45.151	\$41.338	6.3x	5.4x	KZ/JB
Nexen Inc.	NXY	\$19.87	\$24.50	MP3	24.3%	\$10,446	1.0%	\$26.83	\$4.78	\$3.61	4.2x	3.5x	21%	20%	\$63.439	\$59.608	3.3x	2.7x	KZ/JB
Talisman	TLM	\$16.62	\$22.00	MP-3	34.0%	\$17,019	1.6%	\$14.04	\$3.54	\$4.20	4.7x	4.0x	43%	59%	\$49.996	\$46.746	6.1x	5.0x	RK
Median					35.1%		1.0%				4.4x	4.0x							

*CPS estimates are in US\$

Oil Sands and Producers

Company Name	Symbol	Closing Price	Target Price	Stock Rating	Target Return	Mkt Cap (\$mln)	Current Yield	NAV	CPS		P/CF		% Gas		Recov. Resource		UnRisked		Analyst
									11E	12E	11E	12E	11E	12E	2P	BE Cont.	P/NAV	NAV	
Altabasca Oil Sands	ATH	\$12.98	\$20.00	OP2	54.1%	\$5,185	-	\$19.89	\$0.00	\$0.00	n/a	n/a	0%	0%	289	9,672	0.65x	\$44.66	JB
Connacher	CLL	\$0.90	\$2.00	SB1	122.2%	\$406	-	\$2.01	\$0.16	\$0.31	5.8x	2.9x	5%	4%	500	221	0.45x	\$2.59	JB
Canadian Oil Sands	COS	\$24.05	\$32.00	OP2	38.0%	\$11,654	5.0%	\$31.97	\$3.89	\$3.86	6.2x	6.2x	0%	0%	1,907	1,951	0.75x	\$35.23	JB
Conovus Energy	CVE	\$33.93	\$46.00	OP2	37.9%	\$23,700	2.4%	\$53.59	\$4.18	\$4.79	8.1x	7.1x	45%	41%	2,106	5,400	0.63x	\$66.30	JB
OPTI	OPC	\$0.12	UR	UR	UR	\$32	-	UR	UR	UR	n/a	n/a	0%	0%	UR	UR	UR	UR	JB
Petrobank	PBG	\$12.78	\$18.00	OP2	40.8%	\$1,359	-	\$18.22	\$6.21	\$6.99	2.1x	1.8x	15%	19%	70	591	0.70x	\$27.54	JB
Southern Pacific	STP	\$1.46	\$2.75	SB1	88.4%	\$628	-	\$2.78	\$0.13	\$0.19	11.6x	7.8x	15%	19%	181	666	0.52x	\$6.95	JB
Suncor	SU	\$32.34	\$44.00	OP2	37.3%	\$51,396	1.2%	\$46.47	\$5.87	\$6.24	5.5x	5.2x	12%	10%	7,500	16,961	0.67x	\$53.92	JB
Median					40.8%		-				6.0x	5.7x					0.65x		

International Producers

Company Name	Symbol	Closing Price	Target Price	Stock Rating	Target Return	Mkt Cap (\$mln)	Current Yield	NAV	CPS		P/CF		% Gas		EV/BOE		Netback		Analyst
									11E	12E	11E	12E	11E	12E	P	P+P	P/NAV	NAV	
ArPetrol Bankers	RPT	\$0.11	\$0.30	OP-2	185.7%	\$60	-	\$0.17	\$0.00	\$0.04	nm	2.8x	94%	92%	\$4.67	\$2.50	61%	\$5.31	RK
Gran Tierra	BNK	\$5.10	\$15.00	SB-1	194.1%	\$1,258	-	\$11.70	\$0.74	\$1.31	6.9x	3.9x	10%	0%	\$9.65	\$4.88	44%	\$39.68	RK
Greenfields	GTE	\$5.94	\$13.50	SB-1	127.3%	\$1,645	-	\$6.58	\$1.15	\$1.51	5.2x	3.9x	10%	11%	\$42.09	\$23.36	90%	\$56.16	RK
Niko	GNF	\$8.00	\$13.00	OP-2	62.5%	\$119	-	\$11.77	\$0.05	\$1.63	nm	4.9x	52%	67%	\$5.1	\$2.66	68%	\$32.79	RK
Pacific Rubiales*	NKO	\$59.00	\$55.00	UP-4	-6.6%	\$3,040	0.2%	\$43.05	\$4.26	\$3.93	13.8x	15.0x	95%	95%	\$17.88	\$16.11	137%	\$18.95	RK
Pan Orient	PRE	\$25.05	\$44.00	SB-1	77.1%	\$6,717	1.5%	\$28.31	\$4.89	\$7.31	5.1x	3.4x	11%	9%	\$24.64	\$19.32	88%	\$37.06	RK
Parex	POE	\$3.65	\$12.00	OP-2	228.8%	\$206	-	\$8.57	\$0.92	\$1.08	4.0x	3.4x	0%	0%	\$18.64	\$4.30	43%	\$67.22	RK
PetroAmerica	PXT	\$6.65	\$11.00	OP-2	65.4%	\$683	-	\$3.63	\$0.83	\$1.54	8.0x	6.3x	0%	0%	\$18.64	\$66.66	183%	\$7.42	RK
Petrodrado	PTA	\$0.13	\$0.35	OP-2	169.2%	\$74	-	\$0.09	nm	\$0.03	nm	nm	0%	0%	nm	nm	138%	\$71.96	RK
PetroMagdalena ^{o)}	PDQ	\$0.25	\$0.50	OP-2	100.0%	\$19	-	\$0.06	nm	nm	nm	nm	0%	0%	nm	nm	398%	\$108.66	RK
PetroManas	PMD	\$1.01	\$2.10	OP-2	107.9%	\$144	-	\$2.00	\$0.14	\$0.45	7.1x	2.2x	11%	9%	\$18.40	\$6.62	50%	\$46.26	RK
Petrominerales	PMI	\$0.20	\$0.50	OP-2	150.0%	\$126	-	\$0.07	nm	nm	nm	nm	nm	nm	nm	nm	271%	nm	RK
PetroNova	PMG	\$26.01	\$25.00	MP-3	-2.0%	\$2,697	1.9%	\$19.06	\$7.53	\$8.46	3.5x	3.1x	0%	0%	\$63.80	\$47.12	136%	\$56.39	RK
Porto	PNA	\$1.01	\$2.50	OP-2	147.3%	\$167	-	n/a	-\$0.01	-\$0.02	nm	nm	nm	nm	nm	nm	nm	nm	RK
Shambaran	PEC	\$0.56	\$2.00	OP-2	257.1%	\$111	-	\$0.18	nm	nm	nm	7.5x	42%	nm	nm	nm	nm	nm	RK
Surco	SNM	\$0.60	\$1.00	OP-2	66.7%	\$374	-	\$0.66	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	RK
WesternZagros	SRN	\$0.55	\$1.60	OP-2	190.9%	\$67	-	\$0.59	\$0.16	\$0.30	3.4x	1.9x	1%	0%	\$53.01	\$30.88	93%	\$70.20	RK
Median	WZR	\$0.59	\$0.25	UP-4	-57.6%	\$175	-	\$0.10	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	RK
					117.6%		-				5.2x	3.7x			nm	\$16.11	92%	\$56.16	

* Production volumes net of royalties.

^{o)} Renamed from Alange Energy effective July 19, 2011.

Energy Services

Company Name	Symbol	Closing Price	Target Price	Stock Rating	Target Return	Mkt Cap (\$mln)	Dividends		EPS (\$)		P/E (x)		EBITDA		EV/EBITDA		ROIC		Analyst
							\$/sh	Yield	11E	12E	11E	12E	11E	12E	11E	12E	11E	12E	
Contract Drillers																			
Ensign	ESI	\$17.72	\$24.25	OP 2	39.0%	\$2,704	\$0.38	2.1%	\$1.46	\$2.01	12.1x	8.8x	\$496	\$636	6.1x	4.9x	12.4%	14.4%	AB
Precision	PD	\$13.87	\$18.25	OP 2	31.6%	\$3,826	\$0.00	0.0%	\$0.94	\$1.29	14.8x	10.7x	\$882	\$840	6.7x	5.6x	11.7%	13.5%	AB
Savanna	SVY	\$8.27	\$11.75	OP 2	42.1%	\$684	\$0.00	0.0%	\$0.50	\$0.82	16.6x	10.1x	\$128	\$175	6.4x	4.9x	5.8%	8.1%	AB
Trinidad	TDG	\$8.55	\$12.50	SB 1	48.5%	\$1,033	\$0.20	2.3%	\$0.55	\$0.81	15.8x	10.5x	\$253	\$300	6.3x	5.0x	7.6%	9.7%	AB
Western	WRG	\$8.37	\$11.00	OP 2	31.4%	\$490	\$0.00	0.0%	\$0.89	\$0.87	9.4x	9.7x	\$87	\$112	6.1x	5.4x	13.1%	10.8%	AB
Pressure Pumpers																			
Callfrac	CFW	\$35.82	\$55.00	SB 1	54.0%	\$1,568	\$0.15	0.4%	\$3.60	\$4.90	9.9x	7.3x	\$373	\$504	5.0x	3.8x	19.4%	21.2%	AB
Canyon	FRC	\$13.79	\$22.25	SB 1	62.1%	\$837	\$0.10	0.7%	\$1.36	\$2.05	10.2x	6.7x	\$156	\$229	5.2x	3.4x	35.6%	37.8%	AB
GasFrac	GFS	\$9.40	\$13.50	OP 2	43.6%	\$574	\$0.00	0.0%	\$0.23	\$1.14	40.1x	8.3x	\$42	\$133	12.5x	4.1x	6.6%	23.4%	AB
Trican	TCW	\$23.07	\$31.00	SB 1	34.8%	\$3,343	\$0.10	0.4%	\$1.81	\$1.94	12.8x	11.9x	\$572	\$872	6.0x	5.0x	20.8%	17.7%	AB
Completion Services																			
Essential	ESN	\$1.93	\$3.10	SB 1	60.6%	\$238	\$0.00	0.0%	\$0.25	\$0.34	7.7x	5.6x	\$65	\$94	3.7x	3.0x	10.8%	13.2%	AB
Pure	PSV	\$7.28	\$11.00	SB 1	51.1%	\$175	\$0.00	0.0%	\$0.78	\$1.16	9.3x	6.3x	\$45	\$63	4.4x	3.0x	13.7%	18.3%	AB
Field Services																			
Black Diamond	BDI	\$28.50	\$34.00	OP 2	23.3%	\$527	\$1.14	4.0%	\$2.00	\$2.28	14.2x	12.5x	\$85	\$96	6.8x	5.9x	12.6%	14.2%	AB
Enerflex	EFX	\$10.50	\$14.50	OP 2	40.4%	\$810	\$0.24	2.3%	\$0.64	\$0.88	16.4x	12.0x	\$125	\$140	7.6x	6.1x	5.4%	6.8%	AB
Mullen	MTL	\$20.08	\$23.25	MP 3	20.9%	\$1,604	\$1.00	5.0%	\$1.20	\$1.18	16.8x	17.0x	\$265	\$279	7.7x	7.3x	11.0%	10.6%	AB
Secure	SES	\$7.90	\$10.25	OP 2	29.7%	\$704	\$0.00	0.0%	\$0.45	\$0.63	17.6x	12.6x	\$68	\$100	9.0x	6.7x	12.6%	14.7%	AB
Strad	SDY	\$4.10	\$6.50	SB 1	58.5%	\$153	\$0.00	0.0%	\$0.32	\$0.54	12.7x	7.6x	\$48	\$66	4.1x	3.0x	8.8%	12.7%	AB
Median					41.2%			0.2%	\$0.84	\$1.15	13.5x	9.9x			6.2x	4.9x	12.0%	13.8%	

International Oil & Gas

Bankers Petroleum BNK-TSX		Rating Old: Outperform	Rating New: Strong Buy
Current Price(Aug-05-11)	C\$5.10	Target Price (6-12 mos)	C\$15.00
52-Week Range	C\$9.92 - C\$4.93	Total Return to Target	194%
Market Capitalization (mln)	C\$1,258	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	269.0	Current Net Debt (mln)	-C\$99
Average Daily Volume (000s)	2,144	Enterprise Value (mln)	C\$1,164

CFPS	1Q	2Q	3Q	4Q	Full	Revenues	NAV	P/CFPS	P/NAV
	Mar	Jun	Sep	Dec	Year	(mil.)			
2010A	US\$0.06	US\$0.08	US\$0.07	US\$0.10	US\$0.30	US\$170		16.5x	
Old 2011E	0.12A	0.21	0.20	0.23	0.76	357	14.90		
New 2011E	0.12A	0.21	0.20	0.23	0.76	357	14.90	6.8x	34%
Old 2012E	0.28	0.32	0.35	0.39	1.34	566			
New 2012E	0.28	0.32	0.35	0.39	1.34	566		3.9x	

	Brent Oil (US\$/bbl)	Exchange Rate (US\$/C\$)	Production: Crude Oil (b/d)	Production: Natural Gas (mmcf/d)	Production: Total (boe/d)	EBITDA (mln)	Debt/Cash Flow
2010A	US\$80.00	0.97	9,597	0	9,597	US\$71	na
Old 2011E	106.00	1.02	13,924	0	13,924	185	na
New 2011E	106.00	1.02	13,924	0	13,924	185	nm
Old 2012E	115.00	1.02	19,750	0	19,750	333	na
New 2012E	115.00	1.02	19,750	0	19,750	333	nm

Source: Raymond James Ltd., Thomson One

Field Services

Secure Energy Services Inc. SES-TSX		Rating Old: Market Perform	Rating New: Outperform
Current Price(Aug-04-11)	C\$7.90	Target Price (6-12 mos)	C\$10.25
52-Week Range	C\$10.10 - C\$3.57	Total Return to Target	30%
Market Capitalization (mln)	C\$704	Dividend/Yield	C\$0.00/0.0%
Shares Out. (mln, f.d.)	96.1	Current Net Debt (mln)	C\$8
Average Daily Volume (000s)	222	Enterprise Value (mln)	C\$713

Adjusted EPS	1Q	2Q	3Q	4Q	Full	Revenues	Cash	P/E	EV/EBITDA
	Mar	Jun	Sep	Dec	Year	(mln)	Flow (mln)		
2010A	C\$0.04	C\$0.00	C\$0.02	C\$0.04	C\$0.08	C\$73	C\$25	98.8x	16.9x
Old 2011E	0.07A	0.04	0.13	0.18	0.45	352	63		
New 2011E	0.07A	0.04	0.13	0.18	0.45	352	63	17.6x	9.0x
Old 2012E	0.21	0.03	0.15	0.22	0.63	454	90		
New 2012E	0.21	0.03	0.15	0.22	0.63	454	90	12.6x	6.7x

	EBITDA (mln)	Capex (mln)	BVPS (tangible)	Debt/EBITDA	ROE
2010A	C\$25	C\$64	C\$2.32	0.1x	3.8%
Old 2011E	68	91	2.89	0.1x	12.6%
New 2011E	68	91	2.89	0.1x	12.6%
Old 2012E	100	49	3.54	0.0x	14.7%
New 2012E	100	49	3.54	0.0x	14.7%

Source: Raymond James Ltd., Thomson One

Important Investor Disclosures

Raymond James is the global brand name for Raymond James & Associates (RJA) and its non-US affiliates worldwide. Raymond James & Associates is located at The Raymond James Financial Center, 880 Carillon Parkway, St. Petersburg, FL 33716, (727) 567-1000. Affiliates include the following entities, which are responsible for the distribution of research in their respective areas. In Canada, Raymond James Ltd., Suite 2200, 925 West Georgia Street, Vancouver, BC V6C 3L2, (604) 659-8200. In Latin America, Raymond James Latin America, Ruta 8, km 17, 500, 91600 Montevideo, Uruguay, 00598 2 518 2033. In Europe, Raymond James European Equities, 40, rue La Boetie, 75008, Paris, France, +33 1 45 61 64 90.

This document is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. The securities discussed in this document may not be eligible for sale in some jurisdictions. This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation nor does it take into account the particular investment objectives, financial situations, or needs of individual clients. Information in this report should not be construed as advice designed to meet the individual objectives of any particular investor. **Investors should consider this report as only a single factor in making their investment decision.** Consultation with your investment advisor is recommended. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur.

The information provided is as of the date above and subject to change, and it should not be deemed a recommendation to buy or sell any security. Certain information has been obtained from third-party sources we consider reliable, but we do not guarantee that such information is accurate or complete. Persons within the Raymond James family of companies may have information that is not available to the contributors of the information contained in this publication. Raymond James, including affiliates and employees, may execute transactions in the securities listed in this publication that may not be consistent with the ratings appearing in this publication.

With respect to materials prepared by Raymond James Ltd. ("RJL"), all expressions of opinion reflect the judgment of the Research Department of RJL, or its affiliates, at this date and are subject to change. RJL may perform investment banking or other services for, or solicit investment banking business from, any company mentioned in this document.

All Raymond James Ltd. research reports are distributed electronically and are available to clients at the same time via the firm's website (<http://www.raymondjames.ca>). Immediately upon being posted to the firm's website, the research reports are then distributed electronically to clients via email upon request and to clients with access to Bloomberg (home page: RJLC), First Call Research Direct and Reuters. Selected research reports are also printed and mailed at the same time to clients upon request. Requests for Raymond James Ltd. research may be made by contacting the Raymond James Product Group during market hours at (604) 659-8000.

In the event that this is a compendium report (i.e., covers 6 or more subject companies), Raymond James Ltd. may choose to provide specific disclosures for the subject companies by reference. To access these disclosures, clients should refer to: <http://www.raymondjames.ca> (click on Equity Capital Markets / Equity Research / Research Disclosures) or call toll-free at 1-800-667-2899.

Analyst Information

Analyst Compensation: Equity research analysts and associates at Raymond James are compensated on a salary and bonus system. Several factors enter into the compensation determination for an analyst, including i) research quality and overall productivity, including success in rating stocks on an absolute basis and relative to the local exchange composite Index and/or a sector index, ii) recognition from institutional investors, iii) support effectiveness to the institutional and retail sales forces and traders, iv) commissions generated in stocks under coverage that are attributable to the analyst's efforts, v) net revenues of the overall Equity Capital Markets Group, and vi) compensation levels for analysts at competing investment dealers.

Analyst Stock Holdings: Effective September 2002, Raymond James equity research analysts and associates or members of their households are forbidden from investing in securities of companies covered by them. Analysts and associates are permitted to hold long positions in the securities of companies they cover which were in place prior to September 2002 but

are only permitted to sell those positions five days after the rating has been lowered to Underperform. **The Analyst and/or Associate or a member of his/their household has a long position in the securities of Trinidad Drilling Ltd.**

The views expressed in this report accurately reflect the personal views of the analyst(s) covering the subject securities. No part of said person's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report. In addition, said analyst has not received compensation from any subject company in the last 12 months.

Ratings and Definitions

Raymond James Ltd. (Canada) definitions

Strong Buy (SB1) The stock is expected to appreciate and produce a total return of at least 15% and outperform the S&P/TSX Composite Index over the next six months. **Outperform (MO2)** The stock is expected to appreciate and outperform the S&P/TSX Composite Index over the next twelve months. **Market Perform (MP3)** The stock is expected to perform generally in line with the S&P/TSX Composite Index over the next twelve months and is potentially a source of funds for more highly rated securities. **Underperform (MU4)** The stock is expected to underperform the S&P/TSX Composite Index or its sector over the next six to twelve months and should be sold.

Raymond James & Associates (U.S.) definitions

Strong Buy (SB1) Expected to appreciate, produce a total return of at least 15%, and outperform the S&P 500 over the next six to 12 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, a total return of at least 15% is expected to be realized over the next 12 months. **Outperform (MO2)** Expected to appreciate and outperform the S&P 500 over the next 12-18 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, an Outperform rating is used for securities where we are comfortable with the relative safety of the dividend and expect a total return modestly exceeding the dividend yield over the next 12-18 months. **Market Perform (MP3)** Expected to perform generally in line with the S&P 500 over the next 12 months. **Underperform (MU4)** Expected to underperform the S&P 500 or its sector over the next six to 12 months and should be sold. **Suspended (S)** The rating and price target have been suspended temporarily. This action may be due to market events that made coverage impracticable, or to comply with applicable regulations or firm policies in certain circumstances, including when Raymond James may be providing investment banking services to the company. The previous rating and price target are no longer in effect for this security and should not be relied upon.

Raymond James Latin American rating definitions

Strong Buy (SB1) Expected to appreciate and produce a total return of at least 25.0% over the next twelve months. **Outperform (MO2)** Expected to appreciate and produce a total return of between 15.0% and 25.0% over the next twelve months. **Market Perform (MP3)** Expected to perform in line with the underlying country index. **Underperform (MU4)** Expected to underperform the underlying country index. **Suspended (S)** The rating and price target have been suspended temporarily. This action may be due to market events that made coverage impracticable, or to comply with applicable regulations or firm policies in certain circumstances, including when Raymond James may be providing investment banking services to the company. The previous rating and price target are no longer in effect for this security and should not be relied upon. In transacting in any security, investors should be aware that other securities in the Raymond James research coverage universe might carry a higher or lower rating. Investors should feel free to contact their Financial Advisor to discuss the merits of other available investments.

Raymond James European Equities rating definitions

Strong Buy (1) Absolute return expected to be at least 10% over the next 12 months and perceived best performer in the sector universe. **Buy (2)** Absolute return expected to be at least 10% over the next 12 months. **Fair Value (3)** Stock currently trades around its fair price and should perform in the range of -10% to +10% over the next 12 months. **Sell (4)** Expected absolute drop in the share price of more than 10% in next 12 months.

Suitability Categories (SR)

For stocks rated by Raymond James & Associates only, the following Suitability Categories provide an assessment of potential risk factors for investors. Suitability ratings are not assigned to stocks rated Underperform (Sell). Projected 12-month price targets are assigned only to stocks rated Strong Buy or Outperform.

Total Return (TR) Lower risk equities possessing dividend yields above that of the S&P 500 and greater stability of principal.

Growth (G) Low to average risk equities with sound financials, more consistent earnings growth, possibly a small dividend, and the potential for long-term price appreciation.

Aggressive Growth (AG) Medium or higher risk equities of companies in fast growing and competitive industries, with less predictable earnings and acceptable, but possibly more leveraged balance sheets.

High Risk (HR) Companies with less predictable earnings (or losses), rapidly changing market dynamics, financial and competitive issues, higher price volatility (beta), and risk of principal.

Venture Risk (VR) Companies with a short or unprofitable operating history, limited or less predictable revenues, very high risk associated with success, and a substantial risk of principal.

Rating Distributions

	Coverage Universe Rating Distribution		Investment Banking Distribution	
	RJL	RJA	RJL	RJA
Strong Buy and Outperform (Buy)	75%	57%	58%	15%
Market Perform (Hold)	24%	38%	38%	5%
Underperform (Sell)	2%	5%	0%	2%

Raymond James Relationship Disclosures

Raymond James Ltd. or its affiliates expects to receive or intends to seek compensation for investment banking services from all companies under research coverage within the next three months.

Company Name	Disclosure
Alter NRG	<p>Within the last 12 months, Alter NRG has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p> <p>Raymond James Ltd. has provided non-investment banking securities-related services within the last 12 months with respect to Alter NRG.</p> <p>Raymond James Ltd. has received compensation for services other than investment banking within the last 12 months with respect to Alter NRG.</p>
Arc Resources Ltd.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Arc Resources Ltd..</p>
ArPetrol Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to ArPetrol Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to ArPetrol Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to ArPetrol Ltd..</p>
Athabasca Oil Sands Corp.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Athabasca Oil Sands Corp..</p>
AvenEx Energy Corp.	<p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to AvenEx Energy Corp..</p>

Company Name	Disclosure
Bankers Petroleum	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Bankers Petroleum.</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Bankers Petroleum.</p> <p>Raymond James Ltd. has provided non-investment banking securities-related services within the last 12 months with respect to Bankers Petroleum.</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Bankers Petroleum.</p> <p>Raymond James Ltd. has received compensation for services other than investment banking within the last 12 months with respect to Bankers Petroleum.</p>
Baytex Energy Corp.	Ruston Goepel who is an officer and director of Raymond James Ltd. or its affiliates serves as a director of Baytex Energy Corp..
Birchcliff Energy Ltd.	Raymond James Ltd. makes a market in the securities of Birchcliff Energy Ltd..
Black Diamond Group Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Black Diamond Group Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Black Diamond Group Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Black Diamond Group Ltd..</p>
Canadian Natural Resources Ltd	<p>Raymond James Ltd. makes a market in the securities of Canadian Natural Resources Ltd.</p> <p>Within the last 12 months, Canadian Natural Resources Ltd has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p>
Canyon Services Group Inc.	Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Canyon Services Group Inc..
Cenovus Energy	Within the last 12 months, Cenovus Energy has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.
Compass Petroleum Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Compass Petroleum Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Compass Petroleum Ltd..</p> <p>Raymond James Ltd. has provided non-investment banking securities-related services within the last 12 months with respect to Compass Petroleum Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Compass Petroleum Ltd..</p> <p>Raymond James Ltd. has received compensation for services other than investment banking within the last 12 months with respect to Compass Petroleum Ltd..</p>
Connacher Oil and Gas	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Connacher Oil and Gas.</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Connacher Oil and Gas.</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Connacher Oil and Gas.</p>

Company Name	Disclosure
Crocotta Energy Inc.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Crocotta Energy Inc..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Crocotta Energy Inc..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Crocotta Energy Inc..</p>
Daylight Energy Ltd.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Daylight Energy Ltd..</p>
EnCana Corporation	<p>Within the last 12 months, EnCana Corporation has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p>
Essential Energy Services Ltd.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Essential Energy Services Ltd..</p>
GasFrac Energy Services Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to GasFrac Energy Services Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to GasFrac Energy Services Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to GasFrac Energy Services Ltd..</p>
Gran Tierra Energy	<p>Raymond James Ltd. has provided non-investment banking securities-related services within the last 12 months with respect to Gran Tierra Energy.</p> <p>Raymond James Ltd. has received compensation for services other than investment banking within the last 12 months with respect to Gran Tierra Energy.</p>
Greenfields Petroleum Corporation	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Greenfields Petroleum Corporation.</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Greenfields Petroleum Corporation.</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Greenfields Petroleum Corporation.</p>
Legacy Oil & Gas Inc.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Legacy Oil & Gas Inc..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Legacy Oil & Gas Inc..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Legacy Oil & Gas Inc..</p>
NAL Energy Corporation	<p>Raymond James Ltd. makes a market in the securities of NAL Energy Corporation.</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to NAL Energy Corporation.</p>
Nexen Inc.	<p>Within the last 12 months, Nexen Inc. has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p>
Niko Resources Ltd	<p>Within the last 12 months, Niko Resources Ltd has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p>
Novus Energy Inc.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Novus Energy Inc..</p>
Open Range Energy Corp.	<p>Raymond James Ltd. makes a market in the securities of Open Range Energy Corp..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Open Range Energy Corp..</p>

Company Name	Disclosure
Pacific Rubiales Energy	Within the last 12 months, Pacific Rubiales Energy has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.
Pan Orient Energy	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Pan Orient Energy. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Pan Orient Energy. Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Pan Orient Energy.
Parex Resources Inc.	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Parex Resources Inc.. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Parex Resources Inc.. Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Parex Resources Inc..
PetroAmerica Oil Corp.	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to PetroAmerica Oil Corp.. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to PetroAmerica Oil Corp.. Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to PetroAmerica Oil Corp..
PetroDorado Energy Ltd.	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to PetroDorado Energy Ltd.. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to PetroDorado Energy Ltd.. Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to PetroDorado Energy Ltd..
PetroMagdalena Energy Corp.	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to PetroMagdalena Energy Corp.. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to PetroMagdalena Energy Corp..
Petromanas	Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Petromanas.
Petronova Inc.	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Petronova Inc.. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Petronova Inc.. Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Petronova Inc..
Porto Energy Corp.	Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Porto Energy Corp.. Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Porto Energy Corp.. Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Porto Energy Corp..

Company Name	Disclosure
Reliable Energy Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Reliable Energy Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Reliable Energy Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Reliable Energy Ltd..</p>
Renegade Petroleum Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Renegade Petroleum Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Renegade Petroleum Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Renegade Petroleum Ltd..</p>
Savanna Energy Services	<p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Savanna Energy Services.</p>
Secure Energy Services Inc.	<p>Raymond James Ltd. makes a market in the securities of Secure Energy Services Inc..</p> <p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Secure Energy Services Inc..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Secure Energy Services Inc..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Secure Energy Services Inc..</p>
ShaMaran Petroleum Corp.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to ShaMaran Petroleum Corp..</p>
Southern Pacific Resources Corp.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Southern Pacific Resources Corp..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Southern Pacific Resources Corp..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Southern Pacific Resources Corp..</p>
Strad Energy Services Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Strad Energy Services Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Strad Energy Services Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Strad Energy Services Ltd..</p>
Strategic Oil & Gas Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Strategic Oil & Gas Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Strategic Oil & Gas Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Strategic Oil & Gas Ltd..</p>
Suroco Energy Inc	<p>Within the last 12 months, Suroco Energy Inc has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p>

Company Name	Disclosure
Trinidad Drilling Ltd.	<p>Within the last 12 months, Trinidad Drilling Ltd. has paid for all or a material portion of the travel costs associated with a site visit by the Analyst and/or Associate.</p> <p>Raymond James Ltd. has provided non-investment banking securities-related services within the last 12 months with respect to Trinidad Drilling Ltd..</p> <p>Raymond James Ltd. has received compensation for services other than investment banking within the last 12 months with respect to Trinidad Drilling Ltd..</p>
Twin Butte Energy Inc.	<p>Raymond James Ltd. makes a market in the securities of Twin Butte Energy Inc..</p>
Vermilion Energy Inc.	<p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Vermilion Energy Inc..</p>
Waldron Energy Corporation	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Waldron Energy Corporation.</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Waldron Energy Corporation.</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Waldron Energy Corporation.</p>
Western Energy Services Corp.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Western Energy Services Corp..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Western Energy Services Corp..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Western Energy Services Corp..</p>
WestFire Energy Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to WestFire Energy Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to WestFire Energy Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to WestFire Energy Ltd..</p>
Yangarra Resources Ltd.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Yangarra Resources Ltd..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Yangarra Resources Ltd..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Yangarra Resources Ltd..</p>
Zodiac Exploration Inc.	<p>Raymond James Ltd. has managed or co-managed a public offering of securities within the last 12 months with respect to Zodiac Exploration Inc..</p> <p>Raymond James Ltd. has provided investment banking services within the last 12 months with respect to Zodiac Exploration Inc..</p> <p>Raymond James Ltd. has received compensation for investment banking services within the last 12 months with respect to Zodiac Exploration Inc..</p>

Stock Charts, Target Prices, and Valuation Methodologies

Valuation Methodology: The Raymond James methodology for assigning ratings and target prices includes a number of qualitative and quantitative factors including an assessment of industry size, structure, business trends and overall attractiveness; management effectiveness; competition; visibility; financial condition, and expected total return, among other factors. These factors are subject to change depending on overall economic conditions or industry- or company-specific occurrences.

Risk Factors

General Risk Factors: Following are some general risk factors that pertain to the projected target prices included on Raymond James research: (1) Industry fundamentals with respect to customer demand or product / service pricing could change and adversely impact expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes toward the sector or this stock; (3) Unforeseen developments with respect to the management, financial condition or accounting policies or practices could alter the prospective valuation; or (4) External factors that affect the U.S. economy, interest rates, the U.S. dollar or major segments of the economy could alter investor confidence and investment prospects. International investments involve additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability.

Additional Risk and Disclosure information, as well as more information on the Raymond James rating system and suitability categories, is available at www.raymondjames.ca/researchdisclosures. Copies of research or Raymond James' summary policies relating to research analyst independence can be obtained by contacting any Raymond James & Associates or Raymond James Financial Services office (please see raymondjames.com for office locations) or by calling 727-567-1000, toll free 800-237-5643 or sending a written request to the Equity Research Library, Raymond James & Associates, Inc., Tower 3, 6th Floor, 880 Carillon Parkway, St. Petersburg, FL 33716.

International Disclosures

For clients in the United States:

Investing in securities of issuers organized outside of the U.S., including ADRs, may entail certain risks. The securities of non-U.S. issuers may not be registered with, nor be subject to the reporting requirements of, the U.S. Securities and Exchange Commission. There may be limited information available on such securities. Investors who have received this report may be prohibited in certain states or other jurisdictions from purchasing the securities mentioned in this report. Please ask your Financial Advisor for additional details.

Raymond James Ltd. is not a U.S. broker-dealer and therefore is not governed by U.S. laws, rules or regulations applicable to U.S. broker-dealers. Consequently, the persons responsible for the content of this publication are not licensed in the U.S. as research analysts in accordance with applicable rules promulgated by the U.S. Self Regulatory Organizations.

Any U.S. Institutional Investor wishing to effect trades in any security should contact Raymond James (USA) Ltd., a U.S. broker-dealer affiliate of Raymond James Ltd.

For clients in the United Kingdom:

For clients of Raymond James & Associates (RJA) and Raymond James Financial International, Ltd. (RJFI): This report is for distribution only to persons who fall within Articles 19 or Article 49(2) of the Financial Services and Markets Act (Financial Promotion) Order 2000 as investment professionals and may not be distributed to, or relied upon, by any other person.

For clients of Raymond James Investment Services, Ltd.: This report is intended only for clients in receipt of Raymond James Investment Services, Ltd.'s Terms of Business or others to whom it may be lawfully submitted.

For purposes of the Financial Services Authority requirements, this research report is classified as objective with respect to conflict of interest management. RJA, Raymond James Financial International, Ltd., and Raymond James Investment Services, Ltd. are authorized and regulated in the U.K. by the Financial Services Authority.

For institutional clients in the European Economic Area (EEA) outside of the United Kingdom:

This document (and any attachments or exhibits hereto) is intended only for EEA institutional clients or others to whom it may lawfully be submitted.

Proprietary Rights Notice: By accepting a copy of this report, you acknowledge and agree as follows:

This report is provided to clients of Raymond James only for your personal, noncommercial use. Except as expressly authorized by Raymond James, you may not copy, reproduce, transmit, sell, display, distribute, publish, broadcast, circulate, modify, disseminate or commercially exploit the information contained in this report, in printed, electronic or any

other form, in any manner, without the prior express written consent of Raymond James. You also agree not to use the information provided in this report for any unlawful purpose.

This report and its contents are the property of Raymond James and are protected by applicable copyright, trade secret or other intellectual property laws (of the United States and other countries). United States law, 17 U.S.C. Sec.501 et seq, provides for civil and criminal penalties for copyright infringement.

Additional information is available upon request. This document may not be reprinted without permission.

RJL is a member of CIPF. ©2011 Raymond James Ltd.