

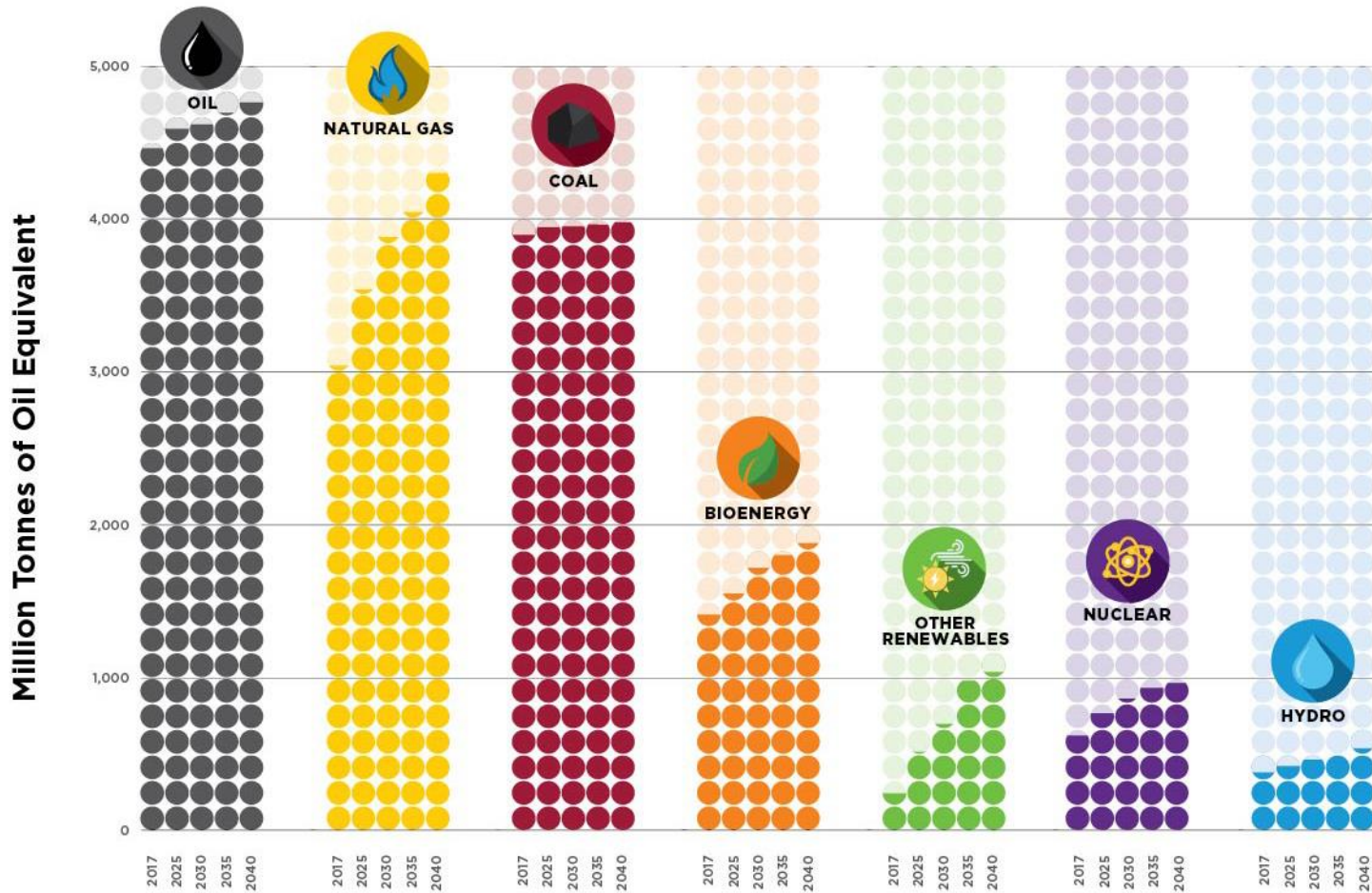


# Current Impacts on the Oil and Natural Gas Industry

# Canadian Association of Petroleum Producers

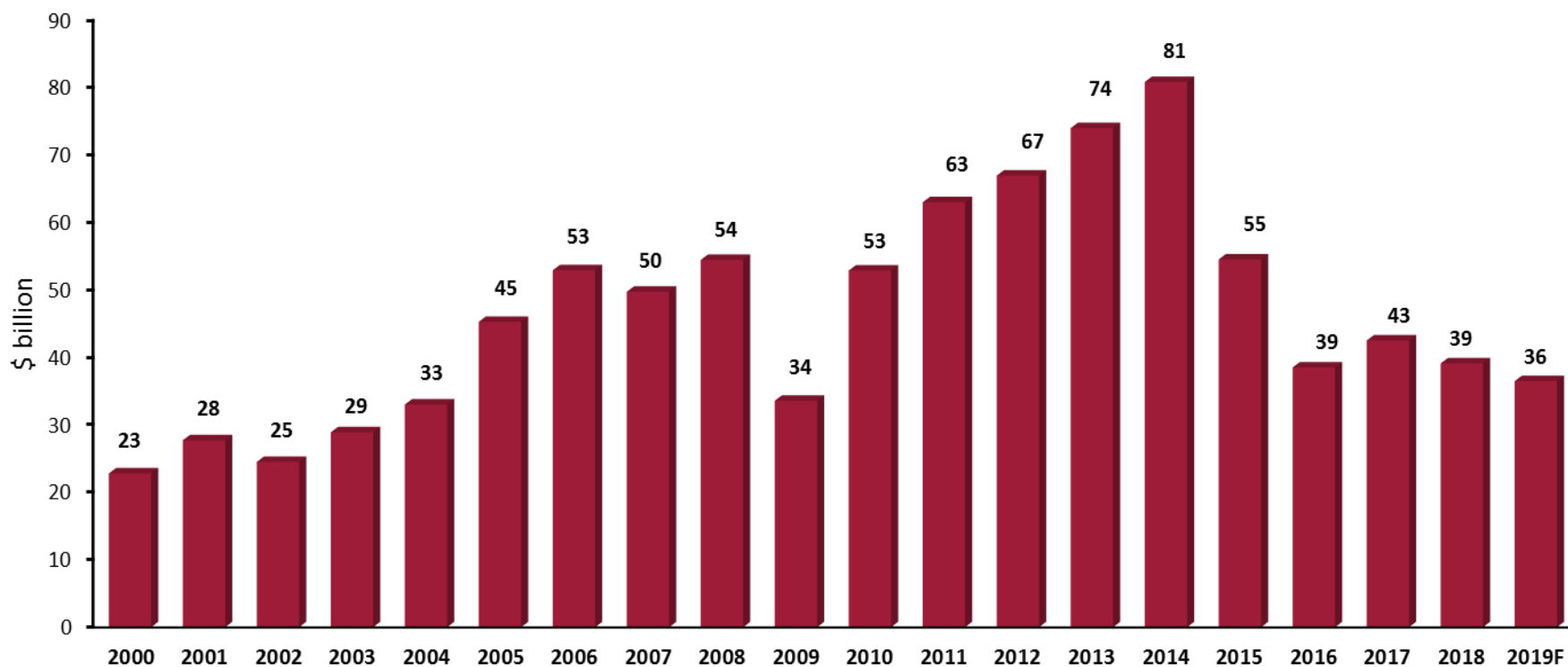
- Represents large and small producer member companies
- Members explore for, develop and produce natural gas, natural gas liquids, crude oil, and oil sands throughout Canada
- Produce about 80 per cent of Canada's natural gas and crude oil
- Associate members provide a wide range of services that support the upstream crude oil and natural gas industry

# Growth in the Global Energy Mix from 2017-2040



# 2019 Economic Climate

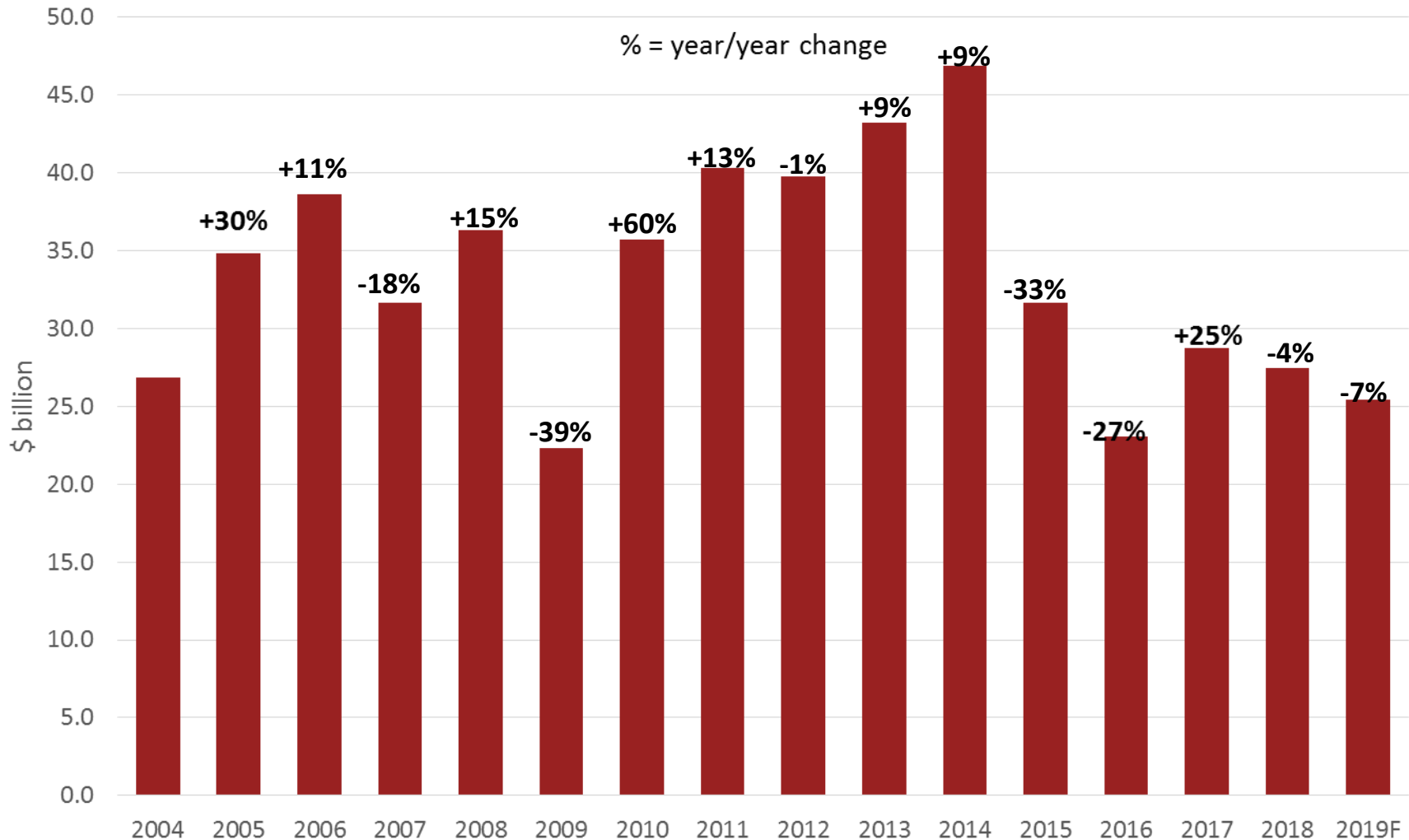
# Upstream Capital Investment



Source: CAPP September 2019

Note: includes oil sands

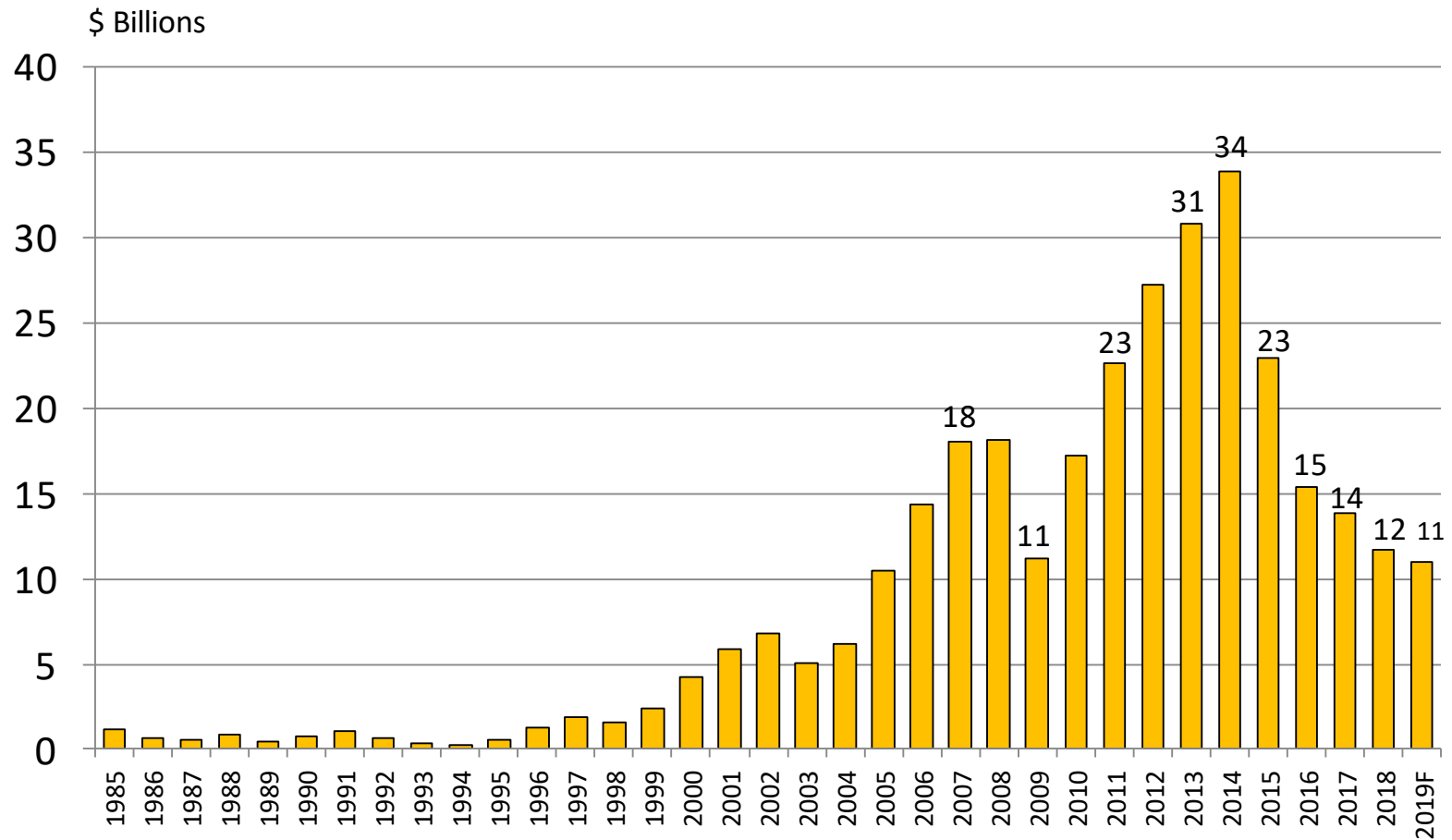
# Conventional Upstream Capital Investment in Canada



Source: CAPP September 2019

# Then and Now

## Capital Investment in the Oil Sands



Source: CAPP September 2019

# Total Wells Drilled in Western Canada

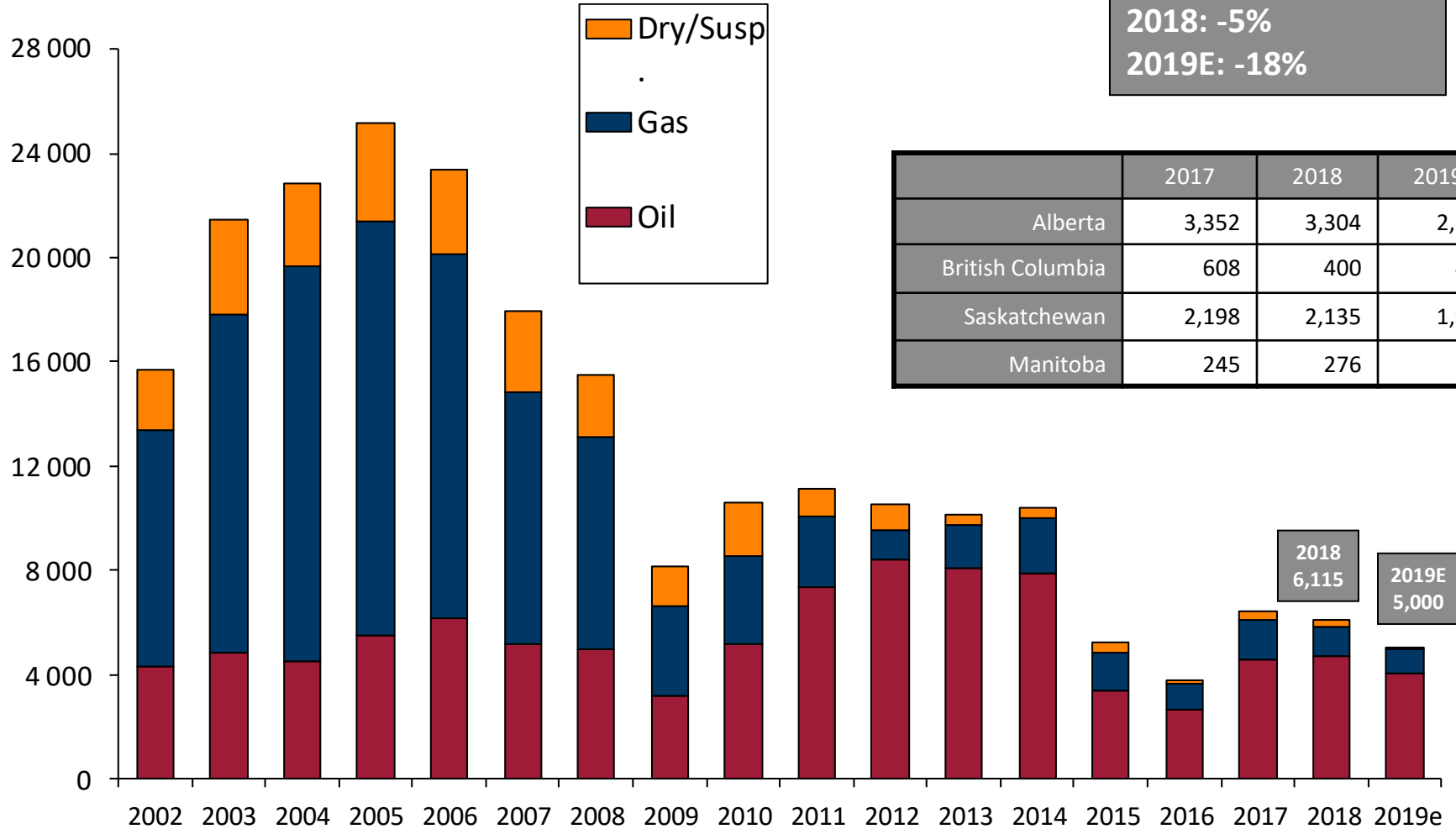
Yr/yr change in drilling:

2016: -28%

2017: +71%

2018: -5%

2019E: -18%



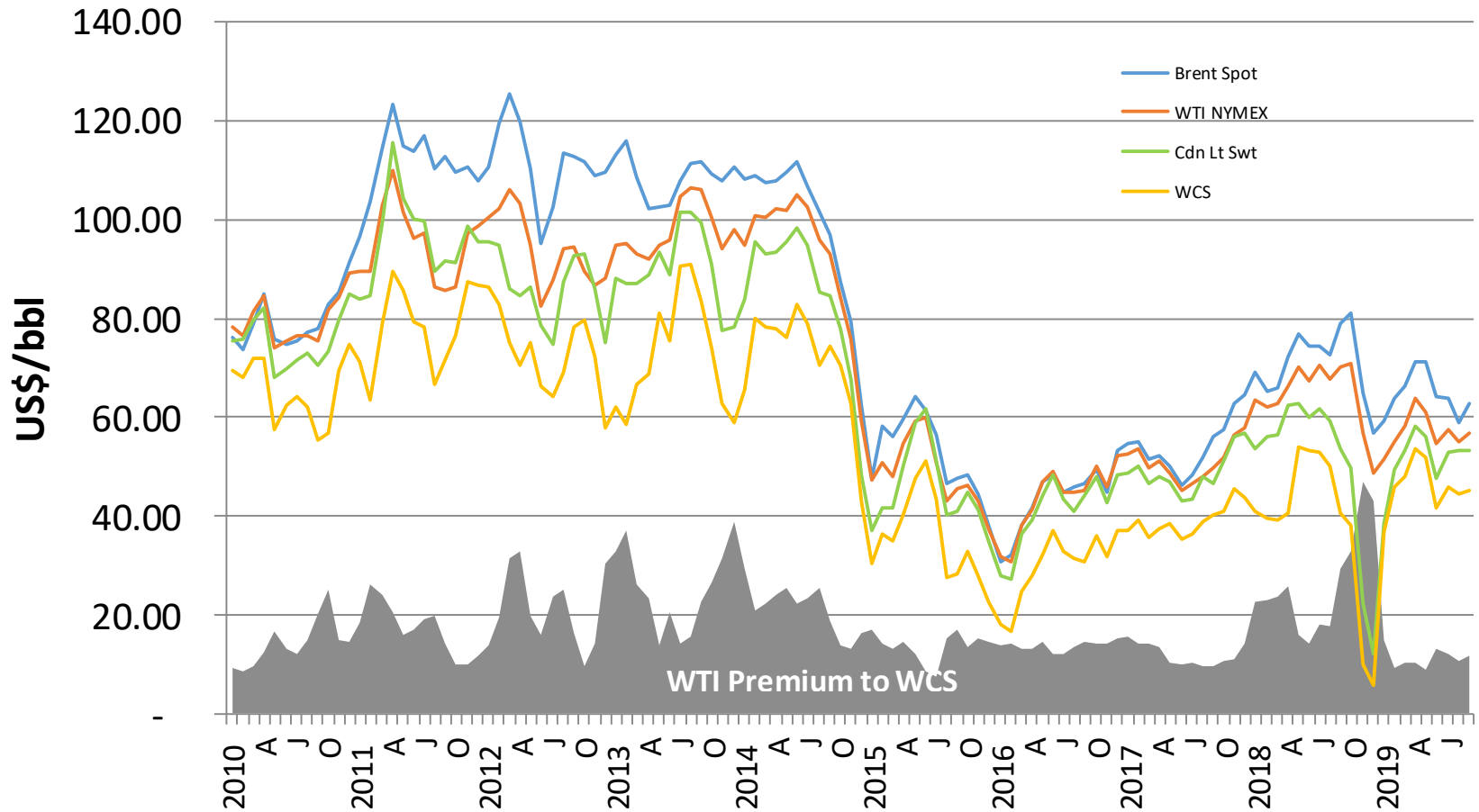
	2017	2018	2019F
Alberta	3,352	3,304	2,362
British Columbia	608	400	414
Saskatchewan	2,198	2,135	1,969
Manitoba	245	276	241

Source – CAPP. Based on Rig Release: Sept 2019

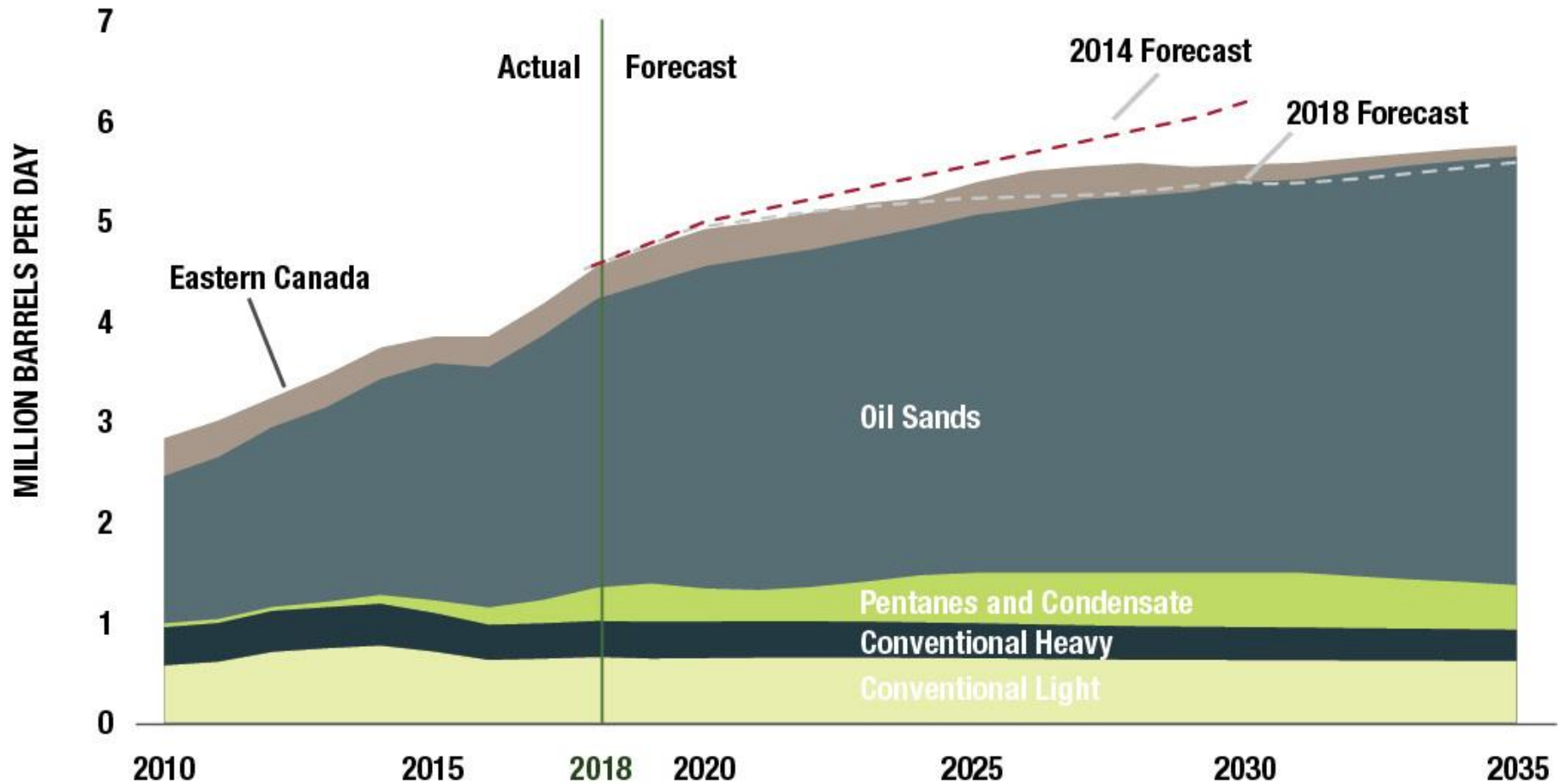


# Outlook for Oil

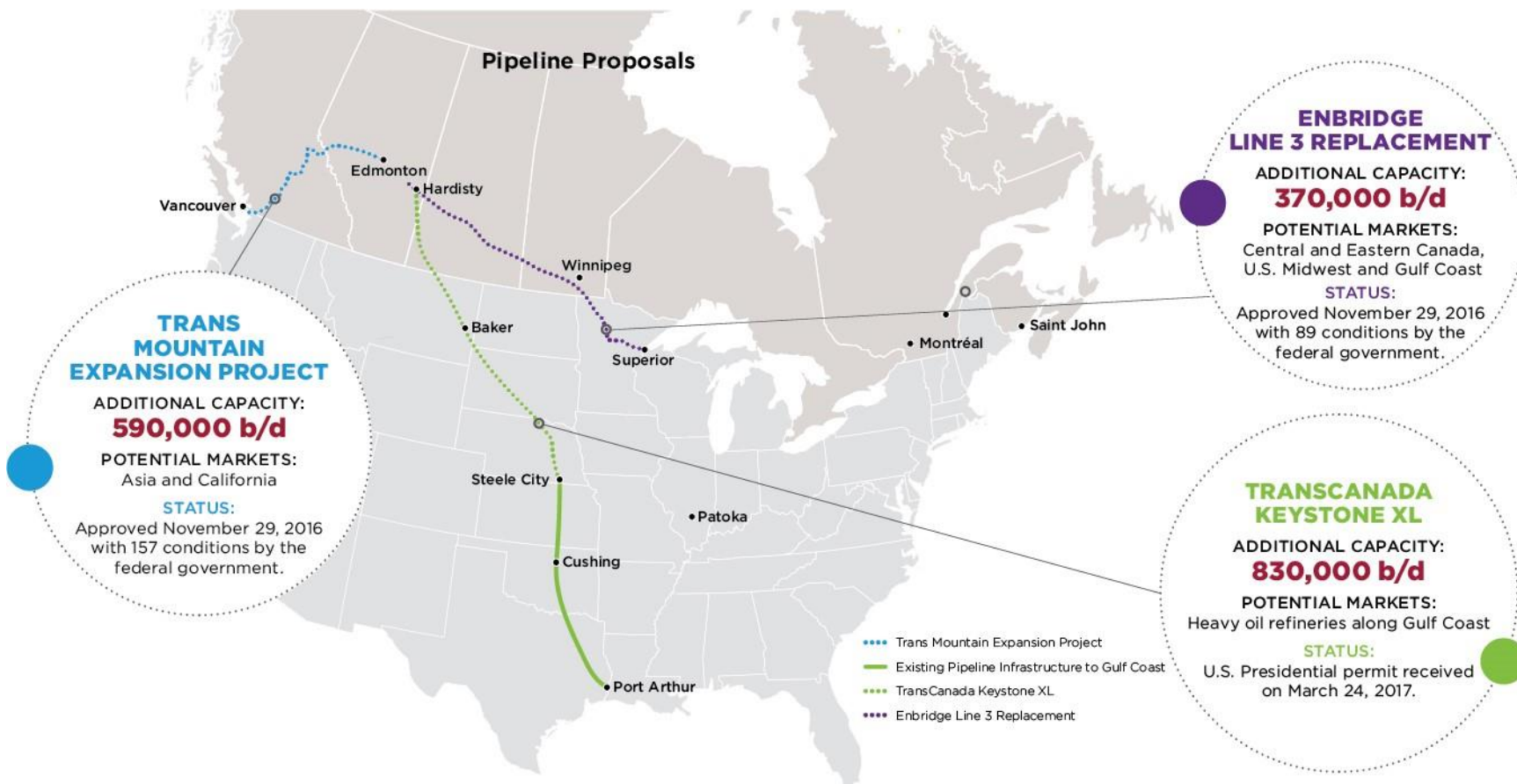
# Crude Oil Prices



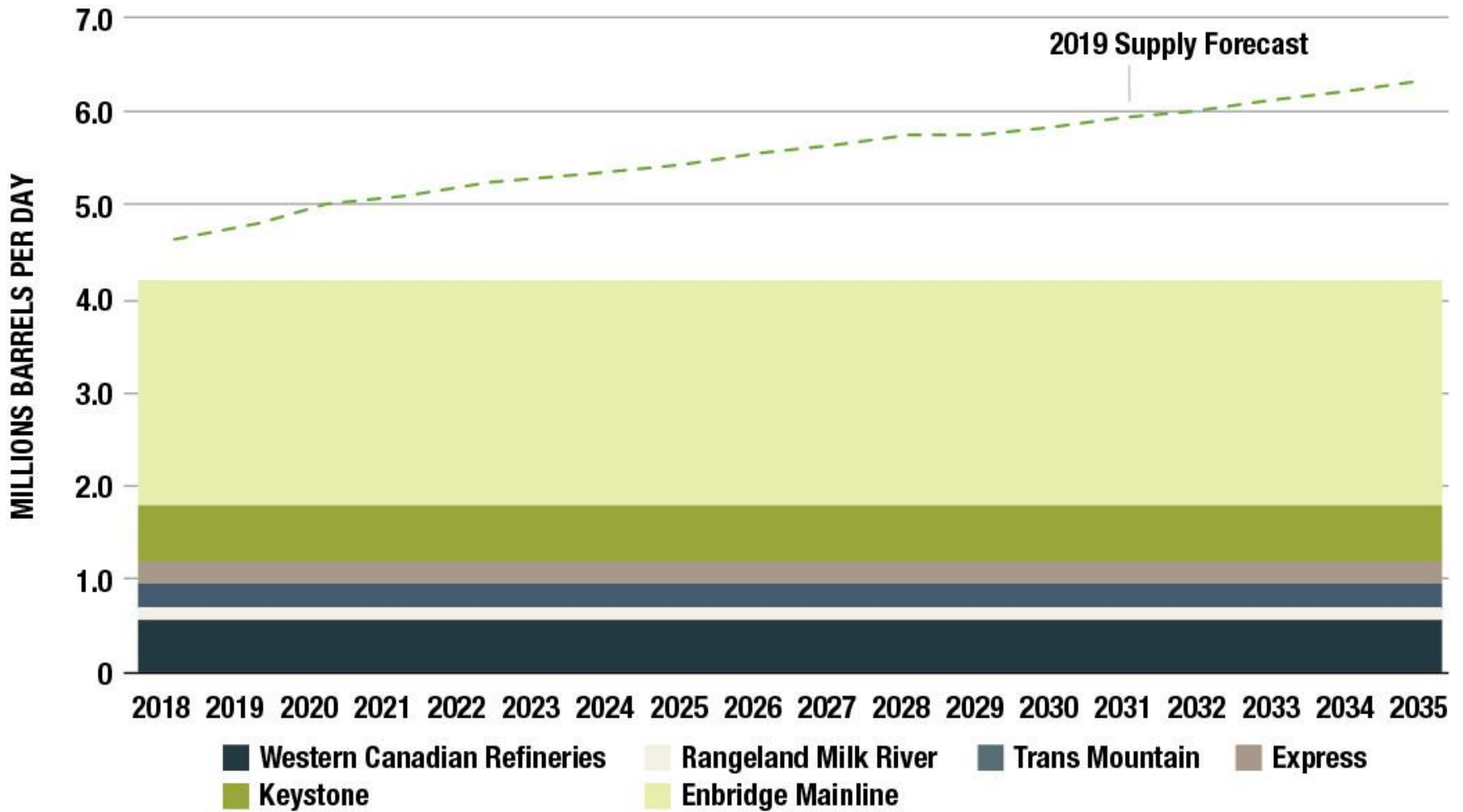
# Canadian Oil Sands and Conventional Production



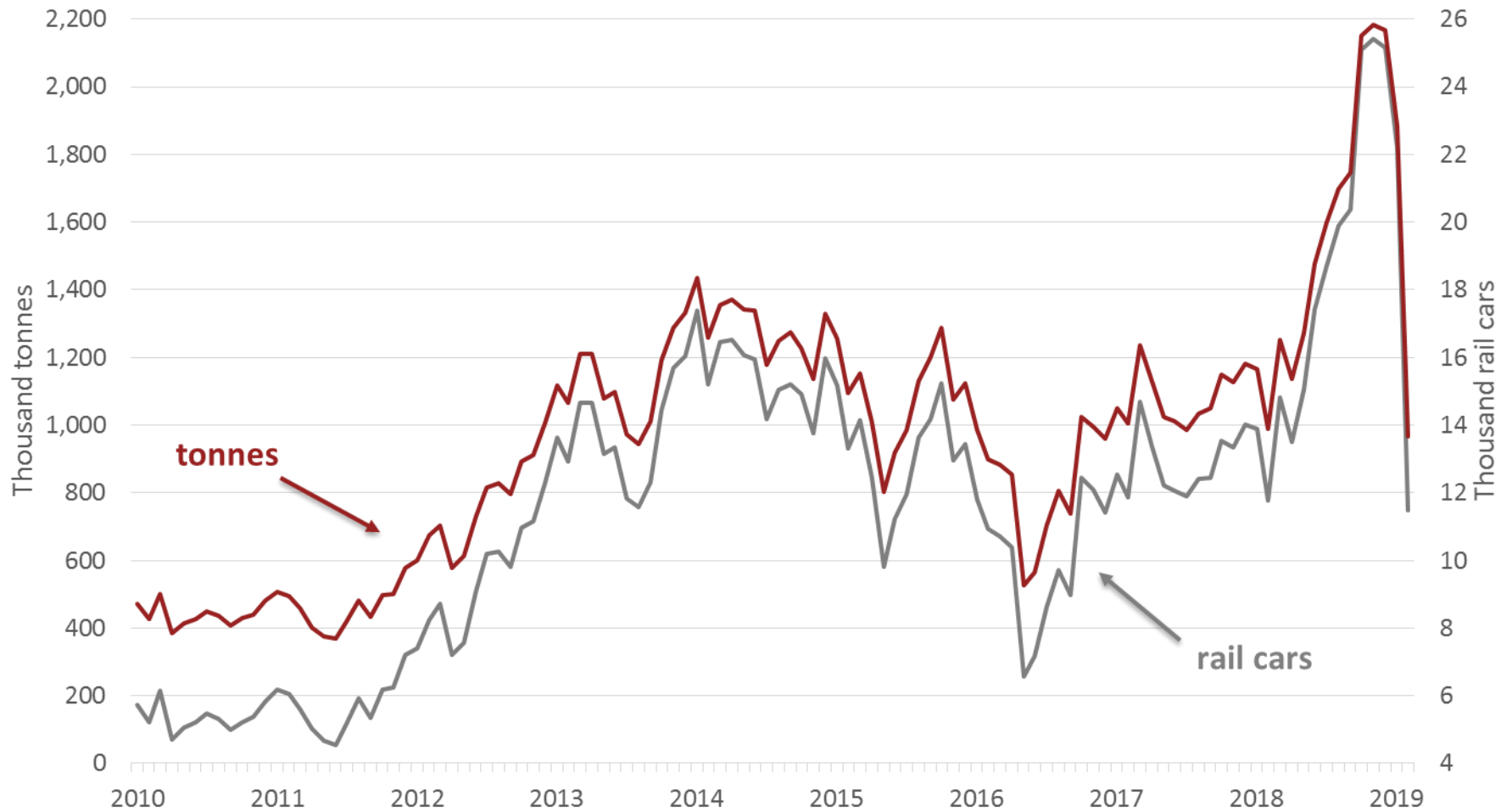
# Pipeline Proposal Projects



# Existing Takeaway Capacity from Western Canada vs. Supply



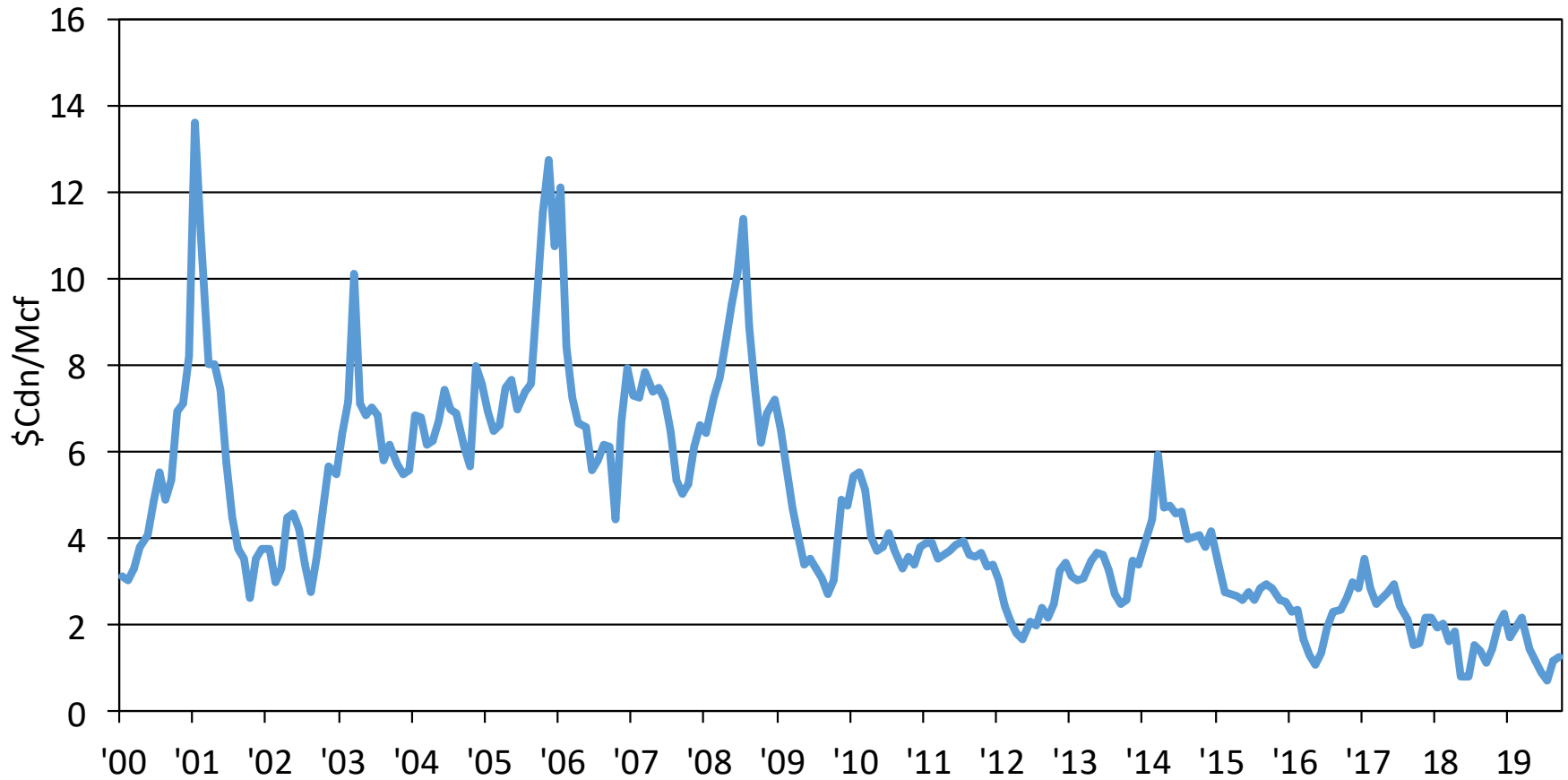
# Canadian Fuel Oil and Crude Petroleum Moved by Rail



Statistics Canada Table 23-10-0216-01

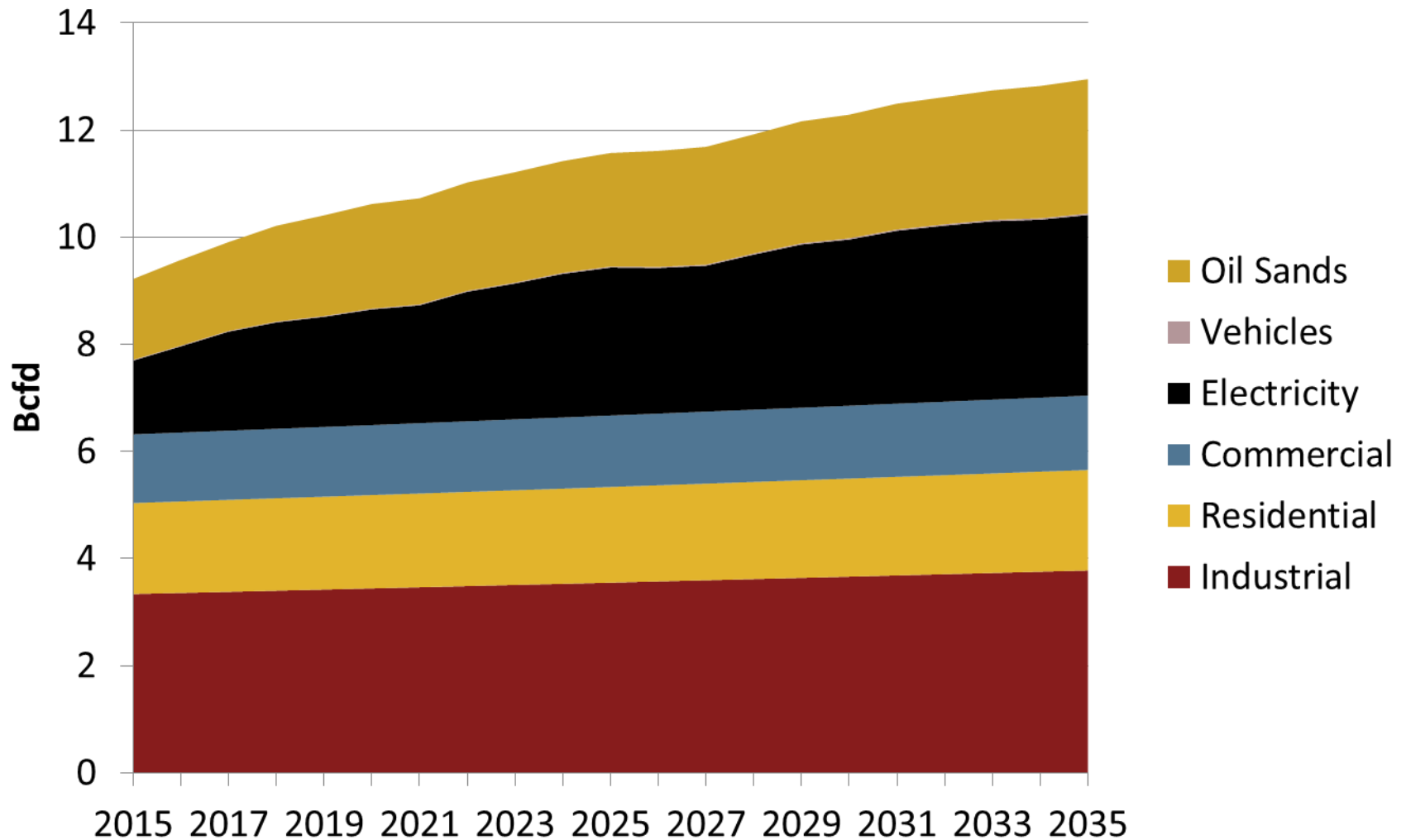
# Outlook for Natural Gas

# Canadian Natural Gas Price AECO One Month Spot Price – Monthly Average

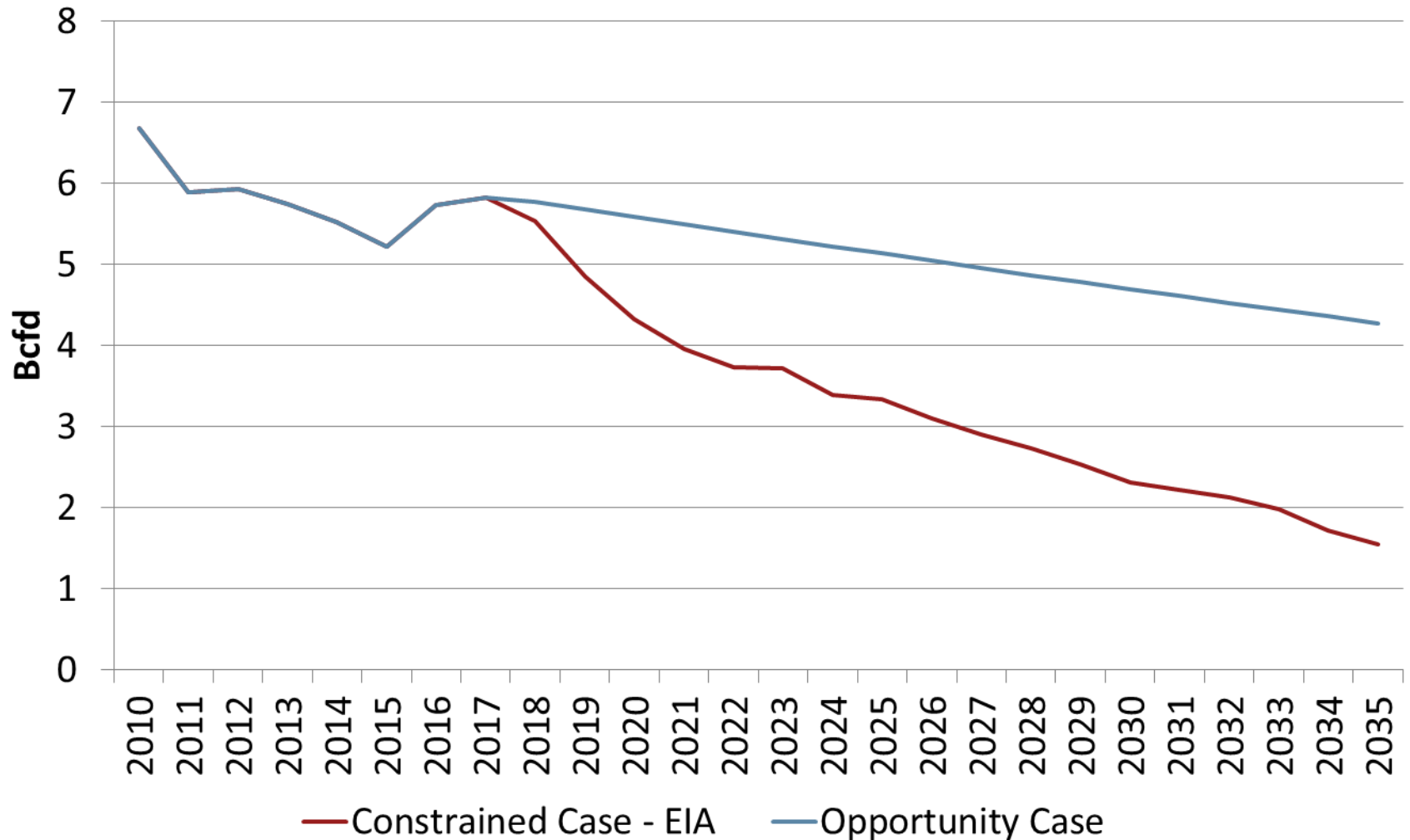




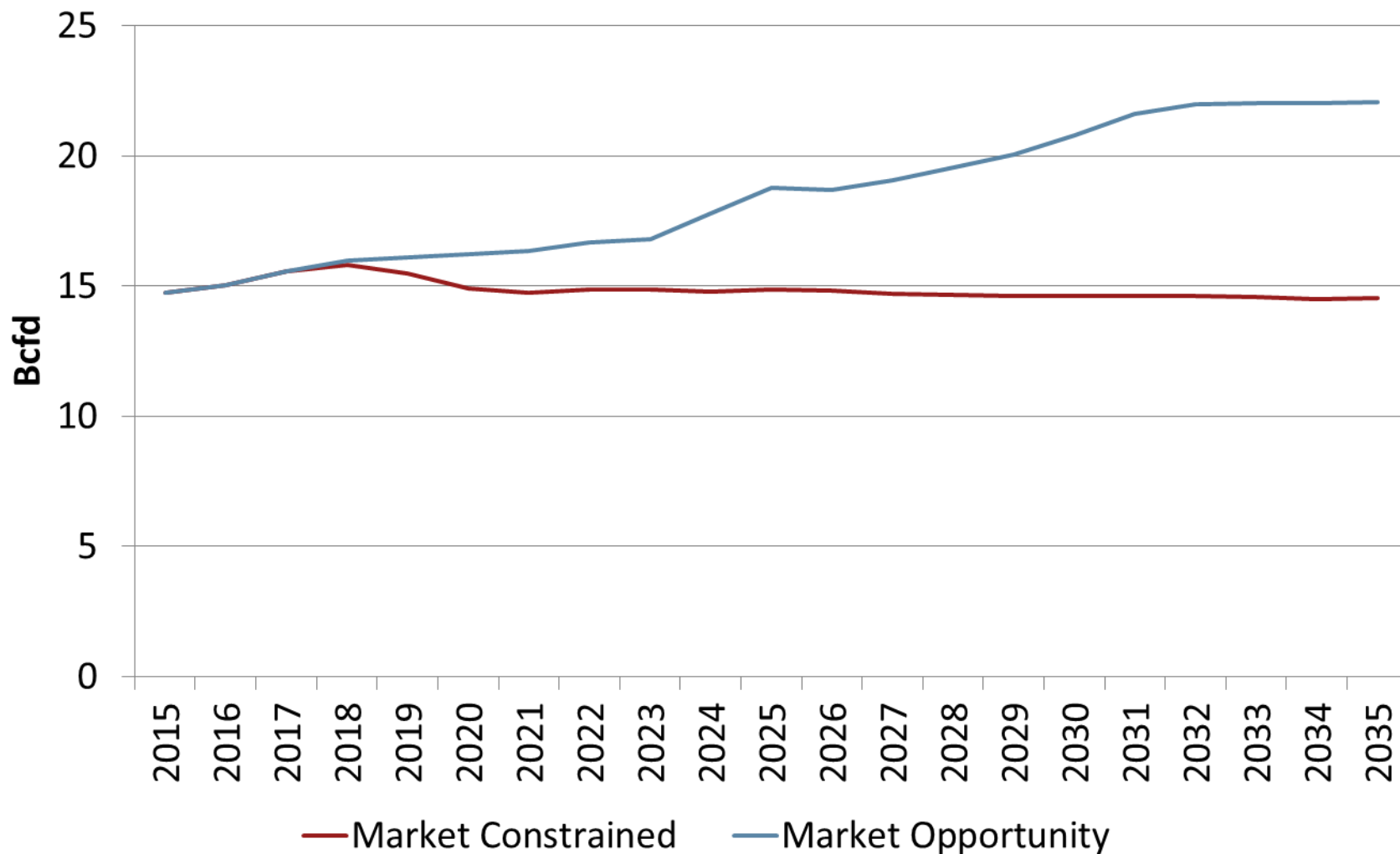
# Canadian Natural Gas Demand by Sector



# Canadian Net Exports (Excluding LNG)



# W. Canadian Natural Gas Production



# CAPP Advocacy

# CAPP Advocacy Efforts

- **Federal:**
  - Market Access
    - C-69
    - C-48
  - Climate:
    - Methane and carbon tax equivalency
    - Clean Fuels Standard
  - Caribou and Species at Risk
- **Alberta:**
  - Red tape reduction
  - Municipal taxes
  - Liability, Closure and Orphan Wells
  - Caribou

**Thank you**