

## Supplementary Oil and Gas Information

(unaudited)

The supplemental data on the Company's oil and gas activities was prepared in accordance with the FASB's SFAS No. 69: Disclosures About Oil and Gas Producing Activities. Activities not directly associated with conventional crude oil and natural gas production, including synthetic oil operations, are excluded from all aspects of this supplementary oil and gas information.

### Results of Operations from Oil and Gas Producing Activities

Years ended December 31 (millions of Canadian dollars)	North America	North Sea	Southeast Asia	Sudan	Algeria	Trinidad	Other	Total
<b>2004</b>								
Net oil and gas revenue derived from proved reserves <sup>1</sup>	<b>2,304</b>	<b>2,038</b>	<b>729</b>	—	<b>156</b>	—	—	<b>5,227</b>
Less:								
Production costs	<b>392</b>	<b>662</b>	<b>98</b>	—	<b>17</b>	—	—	<b>1,169</b>
Transportation	<b>75</b>	<b>66</b>	<b>42</b>	—	<b>9</b>	—	—	<b>192</b>
Exploration and dry hole expense	<b>251</b>	<b>138</b>	<b>45</b>	—	<b>4</b>	<b>33</b>	<b>78</b>	<b>549</b>
Depreciation, depletion and amortization	<b>729</b>	<b>689</b>	<b>174</b>	—	<b>30</b>	—	—	<b>1,622</b>
Tax expense (recovery)	<b>219</b>	<b>288</b>	<b>152</b>	—	<b>36</b>	<b>(11)</b>	<b>(27)</b>	<b>657</b>
Results of operations	<b>638</b>	<b>195</b>	<b>218</b>	—	<b>60</b>	<b>(22)</b>	<b>(51)</b>	<b>1,038</b>
<b>2003</b>								
Net oil and gas revenue derived from proved reserves <sup>1</sup>	2,148	1,762	436	112	43	—	—	4,501
Less:								
Production costs	367	528	87	18	12	—	—	1,012
Transportation	78	63	36	—	4	—	—	181
Exploration and dry hole expense	222	90	26	5	1	34	86	464
Depreciation, depletion and amortization	647	635	95	—	17	—	—	1,394
Tax expense (recovery)	328	237	77	30	3	(12)	(31)	632
Results of operations	506	209	115	59	6	(22)	(55)	818
<b>2002</b>								
Net oil and gas revenue derived from proved reserves <sup>1</sup>	1,712	1,926	393	500	—	—	—	4,531
Less:								
Production costs	339	522	85	84	—	—	—	1,030
Transportation	78	78	38	—	—	—	—	194
Exploration and dry hole expense	194	29	23	19	5	46	43	359
Depreciation, depletion and amortization	583	701	87	92	—	—	—	1,463
Tax expense (recovery)	205	430	75	85	(2)	(22)	(18)	753
Results of operations	313	166	85	220	(3)	(24)	(25)	732

<sup>1</sup> Net oil and gas revenue derived from proved reserves is net of applicable royalties and reflects hedging activities.

### Capitalized Costs Related to Oil and Gas Activities

As at December 31 (millions of Canadian dollars)	North America	North Sea	Southeast Asia	Sudan	Algeria	Trinidad	Other	Total
<b>2004</b>								
Proved properties	<b>8,680</b>	<b>7,009</b>	<b>1,487</b>	—	<b>197</b>	<b>229</b>	<b>5</b>	<b>17,607</b>
Unproved properties	<b>192</b>	<b>54</b>	<b>16</b>	—	<b>23</b>	<b>16</b>	<b>34</b>	<b>335</b>
Incomplete wells and facilities	<b>49</b>	<b>3</b>	<b>46</b>	—	—	<b>35</b>	<b>12</b>	<b>145</b>
	<b>8,921</b>	<b>7,066</b>	<b>1,549</b>	—	<b>220</b>	<b>280</b>	<b>51</b>	<b>18,087</b>
Less: accumulated depreciation, depletion and amortization	<b>3,195</b>	<b>4,006</b>	<b>501</b>	—	<b>42</b>	—	—	<b>7,744</b>
Net capitalized costs	<b>5,726</b>	<b>3,060</b>	<b>1,048</b>	—	<b>178</b>	<b>280</b>	<b>51</b>	<b>10,343</b>
<b>2003</b>								
Proved properties	7,751	6,339	1,466	—	151	120	—	15,827
Unproved properties	227	88	95	—	67	16	3	496
Incomplete wells and facilities	31	1	22	—	—	1	5	60
	8,009	6,428	1,583	—	218	137	8	16,383
Less: accumulated depreciation, depletion and amortization	2,694	3,451	498	—	16	—	—	6,659
Net capitalized costs	5,315	2,977	1,085	—	202	137	8	9,724
<b>2002</b>								
Proved properties	6,939	5,592	1,422	986	217	45	—	15,201
Unproved properties	214	14	156	36	29	9	—	458
Incomplete wells and facilities	33	66	22	17	—	—	—	138
	7,186	5,672	1,600	1,039	246	54	—	15,797
Less: accumulated depreciation, depletion and amortization	2,339	2,774	509	271	—	—	—	5,893
Net capitalized costs	4,847	2,898	1,091	768	246	54	—	9,904

## Costs Incurred in Oil and Gas Activities

Years ended December 31 (millions of Canadian dollars)			North America	North Sea	Southeast Asia	Sudan	Algeria	Trinidad	Other	Total
<b>2004</b>	Property acquisition costs	Proved	<b>77</b>	<b>233</b>	—	—	—	—	—	<b>310</b>
		Unproved	<b>165</b>	<b>71</b>	—	—	—	—	<b>39</b>	<b>275</b>
	Exploration costs	<b>459</b>	<b>150</b>	<b>54</b>	—	—	<b>34</b>	<b>86</b>	<b>783</b>	
	Development costs	<b>785</b>	<b>357</b>	<b>201</b>	—	<b>8</b>	<b>158</b>	—	<b>1,509</b>	
	Asset retirement costs	<b>36</b>	<b>51</b>	<b>3</b>	—	—	<b>7</b>	—	<b>97</b>	
Total costs incurred			<b>1,522</b>	<b>862</b>	<b>258</b>	—	<b>8</b>	<b>199</b>	<b>125</b>	<b>2,974</b>
2003	Property acquisition costs	Proved	369	189	—	—	—	—	—	558
		Unproved	184	2	—	—	—	—	3	189
	Exploration costs	336	99	70	7	4	58	90	664	
	Development costs	600	397	246	(5)	30	72	—	1,340	
	Asset retirement costs	125	285	5	—	—	—	—	415	
Total costs incurred			1,614	972	321	2	34	130	93	3,166
2002	Property acquisition costs	Proved	174	88	—	—	—	—	—	262
		Unproved	50	13	—	—	—	9	—	72
	Exploration costs	271	134	36	27	3	54	43	568	
	Development costs	457	297	233	71	103	14	—	1,175	
	Total costs incurred			952	532	269	98	106	77	43

## Standardized Measure of Discounted Future Net Cash Flows from Proved Reserves

Future net cash flows were calculated by applying the respective year end prices to the Company's estimated future production of proved reserves and deducting estimates of future development, asset retirement, production and transportation costs and income taxes. Future costs have been estimated based on existing economic and operating conditions. Future income taxes have been estimated based on statutory tax rates enacted at year end. The present values of the estimated future cash flows were determined by applying a 10% discount rate prescribed by the FASB.

In order to increase the comparability between companies, the standardized measure of discounted future net cash flows necessarily employs uniform assumptions that do not necessarily reflect management's best estimate of future events and anticipated outcomes. Accordingly, the Company does not believe that the standardized measure of discounted future net cash flows will be representative of actual future net cash flows and should not be considered to represent the fair market value of the oil and gas properties. Actual future net cash flows will differ significantly from those estimated due to, but not limited to, the following:

- production rates will differ from those estimated both in terms of timing and amount. For example, future production may include significant additional volumes from unproved reserves;
- future prices and economic conditions will differ from those at year end. For example, changes in prices increased the discounted future net cash flows by \$3.5 billion in 2004;
- future production and development costs will be determined by future events and will differ from those at year end; and
- estimated income taxes will differ in terms of amounts and timing dependent on the above factors, changes in enacted rates and the impact of future expenditures on unproved properties.

The standardized measure of discounted future net cash flows was prepared using the following prices:

		<b>2004</b>	2003	2002
Crude oil and liquids (\$/bbl)	North America	<b>34.27</b>	33.32	42.07
	North Sea	<b>46.65</b>	37.89	46.84
	Southeast Asia	<b>44.01</b>	41.71	49.22
	Sudan	—	—	44.09
	Algeria	<b>48.71</b>	38.91	48.37
	Trinidad	<b>42.67</b>	39.12	45.72
		<b>42.66</b>	37.04	45.13
Natural gas (\$/mcf)	North America	<b>7.32</b>	6.32	6.06
	North Sea	<b>6.25</b>	5.55	5.59
	Southeast Asia	<b>3.54</b>	3.74	4.94
	Trinidad	<b>1.81</b>	1.03	1.26
		<b>5.47</b>	5.17	5.43

## Discounted Future Net Cash Flows from Proved Reserves

As at December 31 (millions of Canadian dollars)		North America	North Sea	Southeast Asia	Sudan	Algeria	Trinidad	Total
<b>2004</b>	Future cash inflows <sup>1</sup>	<b>20,825</b>	<b>14,916</b>	<b>7,525</b>	–	<b>1,071</b>	<b>854</b>	<b>45,191</b>
	Future costs							
	Transportation	<b>(501)</b>	<b>(494)</b>	<b>(655)</b>	–	<b>(61)</b>	–	<b>(1,711)</b>
	Production	<b>(4,847)</b>	<b>(7,028)</b>	<b>(1,235)</b>	–	<b>(148)</b>	<b>(128)</b>	<b>(13,386)</b>
	Development and site restoration	<b>(2,138)</b>	<b>(3,214)</b>	<b>(770)</b>	–	<b>(29)</b>	<b>(114)</b>	<b>(6,265)</b>
	Future net inflows before income taxes	<b>13,339</b>	<b>4,180</b>	<b>4,865</b>	–	<b>833</b>	<b>612</b>	<b>23,829</b>
	Future income and production revenue taxes	<b>(3,650)</b>	<b>(1,724)</b>	<b>(1,959)</b>	–	<b>(245)</b>	<b>(262)</b>	<b>(7,840)</b>
	Future net cash flows	<b>9,689</b>	<b>2,456</b>	<b>2,906</b>	–	<b>588</b>	<b>350</b>	<b>15,989</b>
	10% discount factor	<b>(3,845)</b>	<b>(302)</b>	<b>(1,402)</b>	–	<b>(165)</b>	<b>(115)</b>	<b>(5,829)</b>
	Discounted future net cash flows	<b>5,844</b>	<b>2,154</b>	<b>1,504</b>	–	<b>423</b>	<b>235</b>	<b>10,160</b>
<b>2003</b>	Future cash inflows <sup>1</sup>	18,444	11,032	5,930	–	645	928	36,979
	Future costs							
	Production	(4,958)	(5,686)	(1,107)	–	(165)	(122)	(12,038)
	Development and site restoration	(1,490)	(1,989)	(697)	–	(14)	(248)	(4,438)
	Future net inflows before income taxes	11,996	3,357	4,126	–	466	558	20,503
	Future income and production revenue taxes	(3,664)	(1,393)	(1,601)	–	(107)	(299)	(7,064)
	Future net cash flows	8,332	1,964	2,525	–	359	259	13,439
	10% discount factor	(3,740)	(147)	(1,118)	–	(86)	(112)	(5,203)
	Discounted future net cash flows	4,592	1,817	1,407	–	273	147	8,236
<b>2002</b>	Future cash inflows <sup>1</sup>	19,639	13,160	6,627	4,090	675	1,143	45,334
	Future costs							
	Production	(4,325)	(5,577)	(1,040)	(999)	(230)	(157)	(12,328)
	Development and site restoration	(995)	(1,873)	(709)	(313)	(64)	(368)	(4,322)
	Future net inflows before income taxes	14,319	5,710	4,878	2,778	381	618	28,684
	Future income and production revenue taxes	(5,654)	(2,597)	(2,011)	(744)	(31)	(370)	(11,407)
	Future net cash flows	8,665	3,113	2,867	2,034	350	248	17,277
	10% discount factor	(3,913)	(554)	(1,387)	(655)	(97)	(161)	(6,767)
	Discounted future net cash flows	4,752	2,559	1,480	1,379	253	87	10,510

1 Future cash inflows are revenues net of royalties.

## Principal Sources of Changes in Discounted Cash Flows

Years ended December 31 (millions of Canadian dollars)	<b>2004</b>	2003	2002
Sales of oil and gas produced, net of production costs	<b>(3,866)</b>	(3,308)	(3,307)
Net change in prices	<b>3,506</b>	(3,200)	9,709
Net change in transportation costs	<b>(954)</b>	–	–
Net change in production costs	<b>410</b>	(357)	(1,990)
Net change in future development and site restoration costs	<b>(638)</b>	(87)	(637)
Development costs incurred during the year	<b>623</b>	672	764
Extensions, discoveries and improved recovery	<b>2,386</b>	1,229	1,863
Revisions of previous reserve estimates	<b>(615)</b>	92	37
Net purchases and sales of reserves in place	<b>150</b>	(1,225)	17
Accretion of discount	<b>1,263</b>	1,555	972
Net change in taxes	<b>(598)</b>	2,399	(3,342)
Other	<b>257</b>	(44)	(97)
Net change	<b>1,924</b>	(2,274)	3,989
Balance, beginning of year	<b>8,236</b>	10,510	6,521
Balance, end of year	<b>10,160</b>	8,236	10,510

## Continuity of Net Proved Reserves<sup>1</sup>

	North America <sup>2</sup>	North Sea	Southeast Asia	Algeria	Sudan	Trinidad	Total
<b>Crude Oil and Liquids (mmbbls)</b>							
<b>Total Proved</b>							
Proved reserves at December 31, 2001	175.8	260.2	39.6	16.9	116.3	–	608.8
Discoveries, additions and extensions	10.6	13.5	5.8	1.3	19.0	18.9	69.1
Purchase of reserves	1.1	7.5	–	–	–	–	8.6
Sale of reserves	(3.7)	(2.8)	–	–	–	–	(6.5)
Net revisions and transfers	(2.5)	13.9	(4.2)	(4.3)	(27.7)	–	(24.8)
2002 Production	(17.2)	(44.7)	(5.1)	–	(13.3)	–	(80.3)
Proved reserves at December 31, 2002	164.1	247.6	36.1	13.9	94.3	18.9	574.9
Discoveries, additions and extensions	13.1	8.3	17.0	2.3	–	–	40.7
Purchase of reserves	1.1	21.1	–	–	–	–	22.2
Sale of reserves	(4.6)	–	–	–	(91.7)	–	(96.3)
Net revisions and transfers	1.1	19.4	4.8	0.5	–	(0.8)	25.0
2003 Production	(16.4)	(41.4)	(5.4)	(0.1)	(2.6)	–	(65.9)
Proved reserves at December 31, 2003	158.4	255.0	52.5	16.6	–	18.1	500.6
<b>Discoveries, additions and extensions</b>	<b>14.0</b>	<b>29.7</b>	<b>2.0</b>	<b>8.1</b>	<b>–</b>	<b>–</b>	<b>53.8</b>
<b>Purchase of reserves</b>	<b>0.2</b>	<b>34.0</b>	<b>0.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>35.1</b>
<b>Sale of reserves</b>	<b>(2.1)</b>	<b>(3.3)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(5.4)</b>
<b>Net revisions and transfers</b>	<b>(2.5)</b>	<b>24.0</b>	<b>(1.3)</b>	<b>0.3</b>	<b>–</b>	<b>(7.2)</b>	<b>13.3</b>
<b>2004 Production</b>	<b>(15.8)</b>	<b>(44.3)</b>	<b>(7.9)</b>	<b>(3.1)</b>	<b>–</b>	<b>–</b>	<b>(71.1)</b>
<b>Proved reserves at December 31, 2004</b>	<b>152.2</b>	<b>295.1</b>	<b>46.2</b>	<b>21.9</b>	<b>–</b>	<b>10.9</b>	<b>526.3</b>
<b>Proved Developed</b>							
December 31, 2001	168.6	203.8	13.3	–	89.6	–	475.3
December 31, 2002	157.2	210.8	11.9	2.4	84.1	–	466.4
December 31, 2003	155.4	211.8	18.6	14.6	–	–	400.4
<b>December 31, 2004</b>	<b>142.6</b>	<b>252.3</b>	<b>19.2</b>	<b>16.5</b>	<b>–</b>	<b>10.5</b>	<b>441.1</b>
<b>Natural Gas (bcf)</b>							
<b>Total Proved</b>							
Proved reserves at December 31, 2001	2,052.6	267.3	1,112.1	–	–	–	3,432.0
Discoveries, additions and extensions	283.1	14.0	11.7	–	–	220.0	528.8
Purchase of reserves	31.5	0.4	–	–	–	–	31.9
Sale of reserves	(26.7)	–	–	–	–	–	(26.7)
Net revisions and transfers	(110.8)	(4.3)	(122.6)	–	–	–	(237.7)
2002 Production	(243.6)	(39.5)	(32.3)	–	–	–	(315.4)
Proved reserves at December 31, 2002	1,986.1	237.9	968.9	–	–	220.0	3,412.9
Discoveries, additions and extensions	276.3	1.0	64.0	–	–	–	341.3
Purchase of reserves	92.2	14.4	–	–	–	–	106.6
Sale of reserves	(11.4)	–	–	–	–	–	(11.4)
Net revisions and transfers	(14.9)	19.8	(6.1)	–	–	(9.0)	(10.2)
2003 Production	(247.6)	(37.5)	(40.1)	–	–	–	(325.2)
Proved reserves at December 31, 2003	2,080.7	235.6	986.7	–	–	211.0	3,514.0
<b>Discoveries, additions and extensions</b>	<b>370.6</b>	<b>8.0</b>	<b>521.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>900.5</b>
<b>Purchase of reserves</b>	<b>19.1</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>19.2</b>
<b>Sale of reserves</b>	<b>(57.1)</b>	<b>(0.5)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(57.6)</b>
<b>Net revisions and transfers</b>	<b>(19.2)</b>	<b>(26.4)</b>	<b>93.5</b>	<b>–</b>	<b>–</b>	<b>5.5</b>	<b>53.4</b>
<b>2004 Production</b>	<b>(260.6)</b>	<b>(39.5)</b>	<b>(47.3)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(347.4)</b>
<b>Proved reserves at December 31, 2004</b>	<b>2,133.5</b>	<b>177.3</b>	<b>1,554.8</b>	<b>–</b>	<b>–</b>	<b>216.5</b>	<b>4,082.1</b>
<b>Proved Developed</b>							
December 31, 2001	1,804.7	213.8	252.0	–	–	–	2,270.5
December 31, 2002	1,746.9	210.0	471.6	–	–	–	2,428.5
December 31, 2003	1,890.4	200.7	593.9	–	–	–	2,685.0
<b>December 31, 2004</b>	<b>1,788.2</b>	<b>150.0</b>	<b>624.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,562.2</b>

<sup>1</sup> See oil and gas advisory on page 24.

<sup>2</sup> North American net proved reserves exclude synthetic crude oil reserves: 2002 – 36.7 mmbbls; 2003 – 35.8 mmbbls; 2004 – 35.2 mmbbls.