TA\(K\)ING
THE
NEXT
STEP

Forest Oil Corporation
Granite Wash Conference
Oklahoma Geological Society
March 6, 2008
Why the Granite Wash?

- Simple, repeatable play
- Low risk
- Ability to build large drilling inventory
- Low F&D costs
- Ease of permitting, welcoming community for oil & gas
- Gas markets: quick hook-ups, full takes, low basis differential
- Successively deeper pays add to EURs at low incremental capital costs
• Forest acquires 33,000 gross acres in March 2005.
• Acreage increased to 51,000 acres in 2007.
• Forest has drilled about 150 Granite Wash wells since April 2005.
• Buffalo Wallow approved for and being drilled on 20 acre downspacing.
• Frye Ranch approved for 40 acre spacing.
Meet the gas well paradox

The United States keeps drilling more wells with no gain in productions even though the nation has 1,400 Tcf of technically recoverable reserves and 188 Tcf of proven reserves. That may not make sense to some people, but Keith Rattie, president, chairman and chief executive officer of Questar Corp. of Salt Lake City, Utah, knows the reason. It's not a question of finding gas. In the past 25 years, the United States has used 500 Tcf of gas and reserves are higher now than they were then. “The resource is finite, but ingenuity is not,” he said. Speaking at the Cambridge Energy Research Associates Week in Houston, Rattie described his company's experience in the tight sands of the Pinedale Anticline of southeastern Wyoming, the third largest field onshore in the United States. Questar is drilling on 10-acre spacing, or 64 wells per sq mile (2.6 sq km) in the tight sand, and it's only reaching half the gas. At some point it will drill 128 wells per square mile, if it can overcome public opposition. Wells in similar tight formations in the Piceance Basin of Colorado show an initial flush production of 1 MMcf/d to 2 MMcf/d, decline sharply in a short period of time and produce for years fielding about 1.5 Bcf of gas per well total production. That decline means Questar can drill 1,000 wells a year for 10 years and get only a potential 1 Bcf/d of additional production, he said.

April 2006

www.eandpnet.com
Forest Oil Corp – Buffalo Wallow Field: Days from Spud to Sales

Buffalo Wallow Days from Spud to Sales

Average 42 days
Initially operators in Buffalo Wallow completed the Caldwell, Britt and GW-A only.

Operators then completed thru the GW-B and GW-C.

Forest determined that additional economic net-pay exists in the GW-E, F & Atoka and it now selectively completes in those zones as well.
Forest Oil Corp – Buffalo Wallow Completion

**Wall Config: Vertical - Original Hole, 12/19/2007 6:00:00 AM**

- **Conductor**: 1 1/2 in, 42 lbs/ft, A-31, 60 ft KB
- **Surface**: 8 5/8 in, 28 lbs/ft, J-40, 3,041 ft KB
- **PBT**: 13,656 ft KB, 12/13/2007
- **Production**: 5 1/2 in, 17.800 lbs/ft, P-110, 13,743 ft KB
- **TD**: 13,765, 12/13/2007
Liquid Loading

Granite Wash Conference
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## Liquid Loading-Pumping Unit Well

### Graphical Representation

The graph shows the performance of VISE #14-52, a Buffalo Wallow well in Granite Wash UPR/LWR/ATK. Forest Oil Corporation operates the well in Hemphill, TX. The graph tracks the following metrics:

- **GAS-MCF/day**
- **OIL-BBL/DAY**
- **WATER-BBL/DAY**
- **Tbg Press**
- **Csg Press**
- **WGR  BBL/MMCF**

### Performance Data

<table>
<thead>
<tr>
<th>Date</th>
<th>GAS-MCF/day</th>
<th>OIL-BBL/DAY</th>
<th>WATER-BBL/DAY</th>
<th>Tbg Press</th>
<th>Csg Press</th>
<th>WGR  BBL/MMCF</th>
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</thead>
<tbody>
<tr>
<td>2005</td>
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#### Additional Details
- **Date**: 2/1/06
- **Install Pumping Unit**
- **Cumulative**:
  - GAS-MCF/day = 134103
  - OIL-BBL/DAY = 1551
  - WATER-BBL/DAY = 57623
  - Tbg Press = 185924
  - Csg Press = 258165
  - WGR  BBL/MMCF = 0
Liquid Loading-Pumping Unit Well

Date

2005

2006

2007

Ref= 10/2007
Cum= 114597

Ref= 10/2007
Cum= 1120

Ref= 10/2007
Cum= 41931

Ref= 10/2007
Cum= 164835

Ref= 10/2007
Cum= 419670

Ref= 10/2007
Cum= 0
Liquid Loading-Cap String Well

PEAK-WALSER 29 #14
BUFFALO WALLOW
GRANITE WASH UPR
FOREST OIL CORPORATION
FBRJLV57A
TX HEMPHILL

- INSTALL CAP STRING 8-13-07

CXG_GASDAY
BUFFALO WALLOW
GRANITE WASH UPR
FOREST OIL CORPORATION
F8RL9JV57A
TX HEMPHILL

GAS-MCF/day
Ref= 10/2007
Cum= 133283
OIL-BBL/DAY
Ref= 10/2007
Cum= 523
WATER-BBL/DAY
Ref= 10/2007
Cum= 83421
Tbg Press
Ref= 10/2007
Cum= 43550
Csg Press
Ref= 10/2007
Cum= 114375
WGR BBL/MMCF
Ref= 10/2007
Cum= 0
Liquid Loading-Weatherford CVR System