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# Ranger Oil (Canada) Limited

Annual Report 1979





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## CORPORATE PROFILE:

Ranger Oil (Canada) Limited was incorporated in the Province of Ontario, Canada on August 21, 1950 as Maygill Petroleum Company Limited and adopted its present name on August 5, 1958. The Company and its subsidiaries are engaged in the exploration for and development and production of oil and natural gas on a world-wide basis.

## COMMON SHARE MARKET DATA

The common shares of the Company are listed on the Toronto, American, and London stock exchanges. The high and low sales prices for the common shares on the Toronto and American stock exchanges for each quarter of the two fiscal years 1978 and 1979 are tabulated below. The Company has not paid any dividends on its common shares.

	Toronto Stock Exchange (Canadian dollars)		American Stock Exchange (U.S. dollars)	
	High	Low	High	Low
<b>1979</b>				
1st Quarter...	\$10.81	\$ 8.00	\$ 9.38	\$ 6.69
2nd Quarter ..	\$15.56	9.69	13.38	8.38
3rd Quarter. . .	18.38	13.25	15.94	11.50
4th Quarter. . .	27.38	16.50	23.25	13.88
<b>1978</b>				
1st Quarter. . .	7.66	6.44	6.84	5.75
2nd Quarter ..	9.38	7.34	8.34	6.44
3rd Quarter. . .	9.94	7.44	8.63	6.53
4th Quarter. . .	9.88	6.56	8.38	5.44

The figures quoted have been adjusted to give effect to a two-for-one stock split in August 1978 and a two-for-one stock split in December 1979.

## NOTE:

Copies of the Company's Form 10-K (without exhibits) as filed with the Securities and Exchange Commission are available upon written request free of charge to all shareholders of record and beneficial owners of shares. Exhibits to the Form 10-K will be supplied upon request for a fee which represents the Company's cost of reproduction and mailing. Any such request should be addressed to the Corporate Secretary of the Company at its head office.

## FINANCIAL HIGHLIGHTS (thousands of U.S. dollars)

Commencing with the fiscal year-end 1979, the Company's financial results including prior years have been stated in U.S. dollars, as the majority of the Company's business is now transacted in that currency.

	1979	1978
Gross Revenue .....	\$ 69,961	\$ 9,548
Cash Flow .....	\$ 50,125	\$ 5,053
Net Earnings (Loss) .....	\$ 10,942	\$ (3,773)
Working Capital .....	\$ 374	\$ 2,041
Long Term Debt .....	\$163,987	\$178,279
Common Shares Outstanding (thousands) .....	19,883	17,190
Per Share — Cash Flow .....	\$2.61	\$ .29
— Net Earnings (Loss) .....	\$ .57	\$ (.22)

## OPERATIONAL HIGHLIGHTS

### Gross Daily Production

#### Crude Oil and Natural Gas Liquids (barrels)

Canada .....	1,201	1,200
United States .....	96	107
United Kingdom .....	8,109	—
TOTAL .....	9,406	1,307

#### Natural Gas

(thousands of cubic feet — Mcf)

Canada .....	14,230	12,000
United States .....	3,414	3,243
TOTAL .....	17,644	15,243

### Gross Proven Reserves

#### At December 31

#### Crude Oil and Natural Gas Liquids (millions of barrels)

North Sea .....	51.2	53.2
North America .....	4.7	5.7

#### Natural Gas (billions of cubic feet)

North America .....	103.0	101.1
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# President's Report



The commencement of production from the Ninian oil field in the United Kingdom sector of the North Sea is the culmination of five years of exploration and development activity and has resulted in record oil production, revenue, cash flow and net earnings for the 1979 fiscal year.

## **NINIAN OIL FIELD**

Production from the field commenced on December 23, 1978, when the first wells drilled from the Southern Platform were placed on stream. The Central Platform commenced production in April 1979 and by year-end the field had produced approximately 58 million barrels of oil, an average for the year of 157,500 barrels per day. Currently, the field has 20 producing wells and 7 water injection wells with a total daily production rate of approximately 210,000 barrels.

Development drilling from the Northern Platform will commence early in the second quarter of 1980 with first production from this facility expected in late 1980. Development drilling continues from the Central and Southern Platforms with two drilling rigs active on each platform. All other facilities are substantially completed.

The Ninian main oil pipeline and Sullom Voe Terminal are fully operational with the oil throughput from the combined Ninian and Brent pipeline systems at more than 600,000 barrels per day.

The first shipment of Ranger's share of Ninian crude oil was made in February 1979, and by year-end total shipments amounted to 2,638,000 net barrels. Initial shipments were sold at \$15.30 (U.S.) per barrel, however, North Sea oil prices increased substantially during the year with the Company averaging \$22.33 (U.S.) per barrel. Effective April, 1980 the Company is receiving \$34.00 (U.S.) per barrel for its Ninian oil.

## **NORTH SEA EXPLORATION**

The Company is currently participating in the drilling of two exploration wells on Block 3/8a (Ranger interest 20%), south of the Ninian field. Both wells were spudded in early March 1980 and are expected to reach their geological objectives in May. The well 3/8a-5 is a follow-up to the 3/8a-3 oil discovery made in 1975 by the BP/Ranger group and the confirmation well 3/7-1 by Chevron Petroleum (U.K.) Limited in the adjacent block to the West. The well 3/8a-6 is located between the currently defined southern boundary of the Ninian field and well 3/8a-5.

## **NORTH AMERICA**

During 1979, the Company participated in the drilling of 58 wells (Canada 52, U.S. 6) of which 19 were successfully completed as oil wells and 21 as gas wells. Drilling activity was concentrated in the Suffield, Keystone, Edson and Hawkins — Kinsella areas of Alberta. In addition, the construction of production facilities in the Rich field were completed during the year.

## **OTHER INTERNATIONAL**

The Company is currently engaged in exploration joint ventures in Guyana and offshore the People's Republic of China.

In the interior of Guyana, the Company has a 20% interest in a 3,340 square mile concession area. A reconnaissance seismic survey of the area is being conducted with encouraging results.

The Company is a participant with several major oil companies in seven seismic group surveys covering approximately 154,500 square miles offshore the People's Republic of China. The surveys are nearing completion and interpretation of the seismic data is in process.



## OUTLOOK

The Company's objective is to actively pursue new exploration prospects on a worldwide basis. The expertise and success gained in our North Sea exploration activities during the past 15 years together with 30 years of exploration experience in North America, have provided Ranger with the financial resources and personnel to meet this objective.

## FINANCIAL

As the majority of the Company's business is transacted in U.S. dollars, the 1979 financial results have been stated in that currency. Financial information in this report relating to prior years has been restated in U.S. dollars. In addition, the 1978 reported earnings have been restated to reflect the retroactive change in the Company's accounting policy to adopt the U.S. Securities and Exchange Commission's prescribed form of "full cost" accounting for oil and gas companies.

Consolidated net earnings for 1979 were \$10,942,000 U.S. (\$.57 per share) compared to a restated loss of \$3,773,000 U.S. (\$.22 per share) for 1978. Gross revenues for 1979 increased to \$69,961,000 U.S. from \$9,548,000 U.S. and cash flow from operations amounted to \$50,125,000 U.S. for an increase of \$45,072,000 U.S. over the previous year.

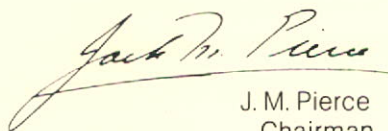
Oil and gas sales revenue increased by \$60,412,000 U.S. during 1979 reflecting the commencement of Ninian crude oil sales and, to a lesser extent, higher wellhead prices for oil and gas in North America. Ninian sales revenue in 1979 amounted to \$58,918,000 U.S. and in North America, sales revenue was \$10,240,000 U.S.

On November 30, 1979, the Company received shareholder approval to split the Company's common shares on a two for one basis. The distribution of the additional share certificates was made in late December.

During 1979, the Company improved its financial position with the sale through a public issue of 2.6 million common shares realising \$17 million (U.S.). The Company has recently restructured its bank debt on more favourable terms which will provide the Company with more flexibility to take advantage of potential investment opportunities. As a result of the substantial increase in cash flow, the Company anticipates that this debt will be repaid by the end of 1981.

We wish to express our appreciation and confidence in the loyalty, dedication and resourcefulness of all employees. Their efforts have been and will continue to be a major factor in the Company's success.

On behalf of the board



J. M. Pierce  
Chairman

April 15, 1980



# Production

Daily gross production and the net proceeds after royalties from the sales of such production for 1979 are as follows:

## United Kingdom — Crude Oil

Production of oil from the Ninian field commenced in 1979 and averaged 8,109 barrels per day. Revenue from oil sales amounted to \$58.9 million (U.S.) during the year.

The average price received for Ninian oil during 1979 was \$22.33 (U.S.) per barrel. The current price is \$34.00 (U.S.) per barrel.

## Canada — Crude Oil

Production of oil and condensate averaged 1,201 barrels per day during 1979. Revenue from oil and condensate sales totalled \$2.8 million (U.S.) during 1979, an increase of 6% compared to 1978.

The average wellhead price received by the Company for its oil production in Canada increased \$2.00 (Cdn.) per barrel during 1979. The current wellhead price is \$14.75 (Cdn.) per barrel.

## Canada — Natural Gas

Production of gas averaged 14,230 Mcf per day during 1979, up 19% from last year. Revenue from gas sales totalled \$5.4 million (U.S.) during 1979, an increase of 37% compared to 1978.

The average wellhead price received by the Company for its gas production in Canada also increased during 1979. The current average wellhead price for gas in Alberta is approximately \$2.08 (Cdn.) per Mcf.

## United States — Crude Oil

Production of oil and condensate averaged 96 barrels per day during

1979, down 10% from last year. Revenue from oil and condensate sales totalled \$397,000 (U.S.) during 1979.

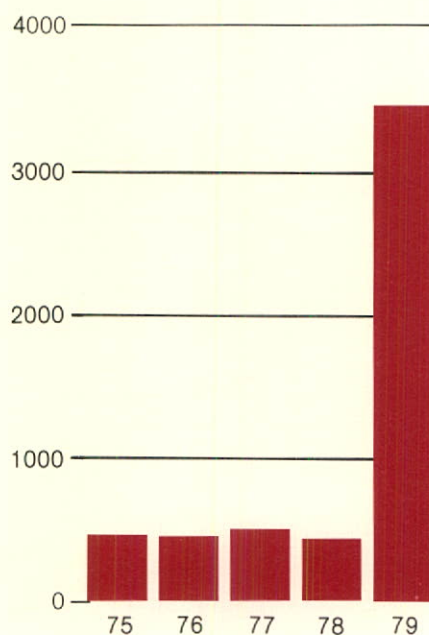
The wellhead price received by the Company for its U.S. oil and condensate production varied between \$5.67 (U.S.) per barrel and \$38.50 (U.S.) per barrel in 1979.

## United States — Natural Gas

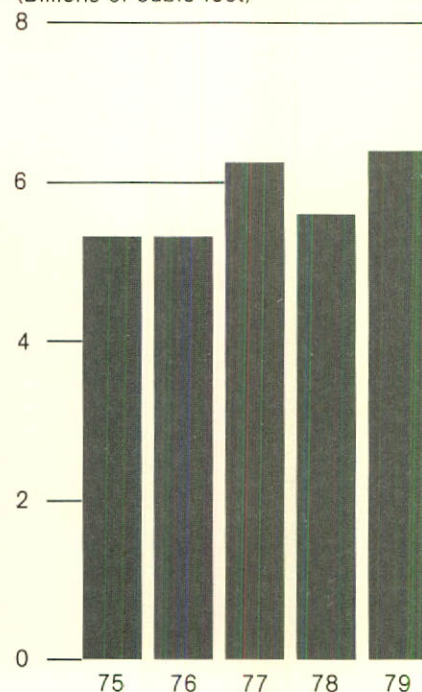
Production of gas averaged 3,414 Mcf per day during 1979, up 5% from last year. Revenue from gas sales totalled \$1.6 million (U.S.) during 1979, an increase of 20% compared to 1978.

The average wellhead price for gas sales in the U.S. varied between \$.89 (U.S.) per Mcf for interstate sales, to \$2.13 (U.S.) per Mcf for intrastate sales in 1979.

**Oil Production — before Royalty**  
(Thousands of barrels)



**Gas Production — before Royalty**  
(Billions of cubic feet)





# Reserves

## NORTH SEA — NINIAN OIL FIELD

Based on a March 25, 1980 reserve study by DeGolyer and MacNaughton, independent Petroleum Consultants, estimated gross proven reserves of crude oil and natural gas liquids as of December 31, 1979 are as follows:

	Thousands of barrels
Crude Oil	
Total Oil Recoverable .....	946,030
Ranger's 5.192% Interest (1) .....	49,118
Natural Gas Liquids	
NGL's Recoverable .....	39,682
Ranger's 5.192% Interest (1) .....	2,060
Total Oil & NGL's — Ranger's 5.192% Interest (1) .....	51,178

North Sea oil and gas reserves outside of the Ninian Oil Field are not included in the above figures. This applies specifically to the discoveries on blocks 3/8 and 23/27, and the block 48/18b gas discovery.

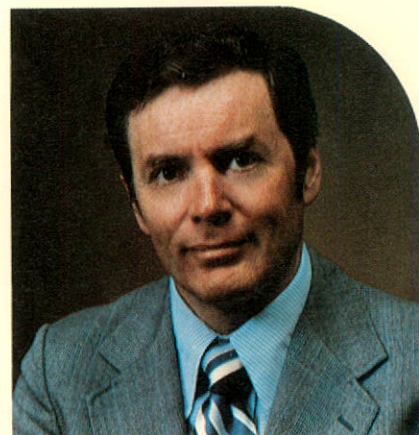
(1) Interim agreement percentage; first redetermination of interest will take place in the second half of 1980.

## NORTH AMERICA

The Canadian reserve estimates have been prepared by Company engineers. The United States reserve estimates have been prepared by Keplinger and Associates, Inc.

Estimates of proven reserves before royalty as at December 31, 1979 are as follows:

<b>Canada</b>	
Crude Oil and Natural Gas Liquids (thousands of barrels) .....	4,497
Natural Gas (millions of cubic feet) .....	93,319
<b>United States</b>	
Crude Oil and Natural Gas Liquids (thousands of barrels) .....	208
Natural Gas (millions of cubic feet) .....	9,662
<b>CORPORATE TOTAL</b>	
Crude Oil and Natural Gas Liquids (thousands of barrels) .....	55,883
Natural Gas (millions of cubic feet) .....	102,981



*John J. Newman, Vice President,  
Exploration and Production.*

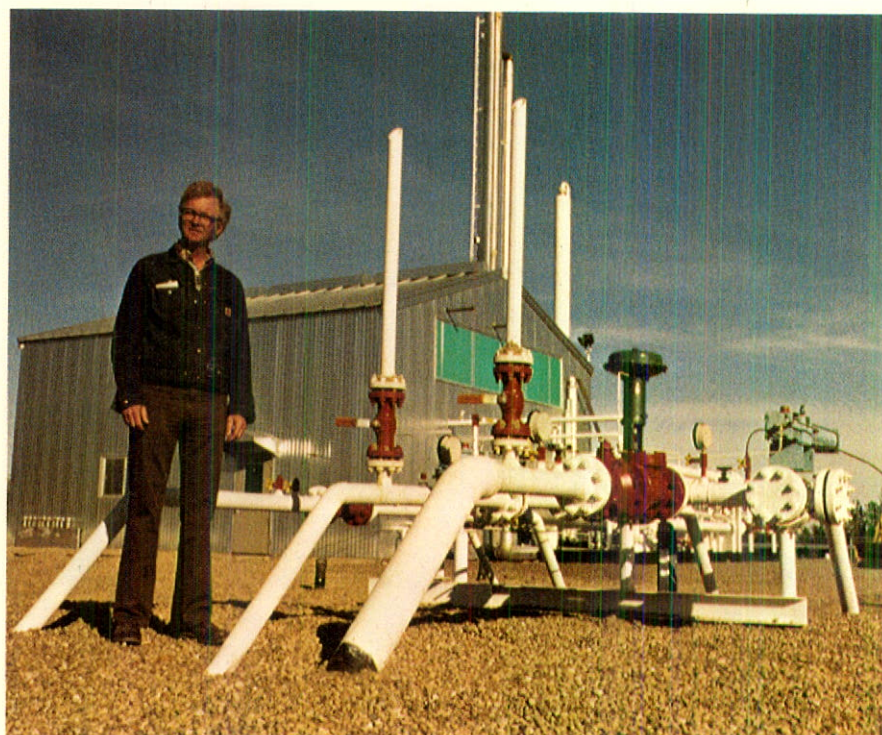
*Production Manager, Geoff Chase,  
observing drilling operation in the  
Brazeau River area of Alberta.*



# World-wide Acreage Holdings

## OIL AND GAS ACREAGE

Geographical Area			Gross Acres	Net Acres
<b>Canada</b>				
Alberta .....			349,239	113,937
British Columbia .....			21,140	3,159
Saskatchewan .....			1,286	408
TOTAL CANADA .....			371,665	117,504
<b>United States</b>				
Colorado .....			1,978	383
Louisiana .....			6,461	3,768
Texas .....			16,021	8,591
Wyoming .....			3,992	210
Other States .....			23,006	1,305
TOTAL UNITED STATES .....			51,458	14,257
<b>United Kingdom — North Sea</b>				
	Licence Number	Block Numbers		
	P-114	22/27a	41,711	16,685
		23/27	49,273	19,709
	P-128	48/18b	16,754	3,854
		48/19b	19,818	4,558
	P-229	3/30a	38,302	7,660
		4/21	2,298	460
		4/26	10,329	2,066
	P-199	3/8a	25,032	5,006
TOTAL UNITED KINGDOM .....			203,517	59,998
Guyana .....			2,137,600	427,520
TOTAL OIL AND GAS ACREAGE .....			2,764,240	619,279
<b>COAL LICENCES</b>				
<b>Canada</b>				
British Columbia .....			19,745	13,821



Area Foreman, Clarke James, at Ranger's Rich gas plant in Alberta.



# Ninian Operations

The Ninian oilfield was discovered in January 1974 by the BP/Ranger Group 3/8-1 well. By 1976, eight exploration and appraisal wells had been drilled and a decision was made to develop the field utilizing three production platforms.

Production commenced on December 23, 1978 from the first well drilled from the Southern Platform. By year-end 1979, fourteen wells were producing oil from the field and four wells were injecting seawater into the reservoir as part of the water injection plan to enhance recovery from the field. The current daily production rate is approximately 210,000 barrels of oil.

A total of 58 million barrels of oil was produced from the field during 1979. The Company's net sales during 1979 amounted to 2,638,000 barrels of oil, sold to Chevron Petroleum (U.K.) Limited under a long-term sales contract.

## Field Development

Installation work continued throughout 1979 on the Southern Platform and water injection commenced in July.

Installation work on the Central Platform was completed and production commenced on April 28, 1979. The water injection facilities were completed and commissioned for use in October.

The cap truss and the production and drilling modules were installed on the Northern Platform during 1979. Drilling operations from this 25 slot platform are expected to commence in April 1980 and production is scheduled for September 1980.

The 24" crude oil feeder line from the Northern Platform to the Central Platform was laid and trenched during July. In addition, the 8" gas line from the Southern to the Central Platform was installed and trenched.

## Reservoir Development

Development drilling continued throughout 1979 from both the Southern and Central Platforms. To date, fifteen wells have been drilled from the Southern Platform, of which nine are producing and six are water injection wells. An additional two wells are currently being drilled. On the Central Platform there are now eleven producing wells, one water injection well, and two wells currently being drilled.

## Gas Conservation

An offshore associated gas conservation scheme is currently being implemented. Consent has been received from the Department of Energy to flare associated gas pending the implementation of the gas conservation scheme.



*Gordon H. Bowman, Managing Director, Ranger Oil (U.K.) Limited.*

*Ninian Southern Platform with Central Platform in background.*



### **Sullom Voe Terminal Facilities**

The official opening of the Sullom Voe Terminal was held on January 20, 1979. The oil throughput is currently more than 600,000 barrels per day from the combined Ninian and Brent pipeline systems.

### **Ninian Pipeline**

The 36" main oil line to the Sullom Voe Terminal from the Central Platform became operational with the commencement of first production.

The Magnus field made the required capital payments for entry into the Ninian Pipeline system in early January.

The Ninian main oil line will ultimately carry oil from the Ninian, Heather and Magnus fields.

### **Unitization**

On January 25, 1979, the Ninian participants signed a Unitization Agreement defining the principles of unitization, including a method of sharing the oil produced from the field and the associated capital and operating costs.

Each participant's interest in the field will be determined in proportion to original oil in place underlying their respective blocks. As a result of initial negotiations the Company is entitled to 5.192% of current field production.

Redeterminations will take place from time to time, based on additional available reservoir data from the field. The first redetermination of interests in the

field will take place in the second half of 1980. It is expected that each participant's final interest will be determined not later than July 1, 1984.

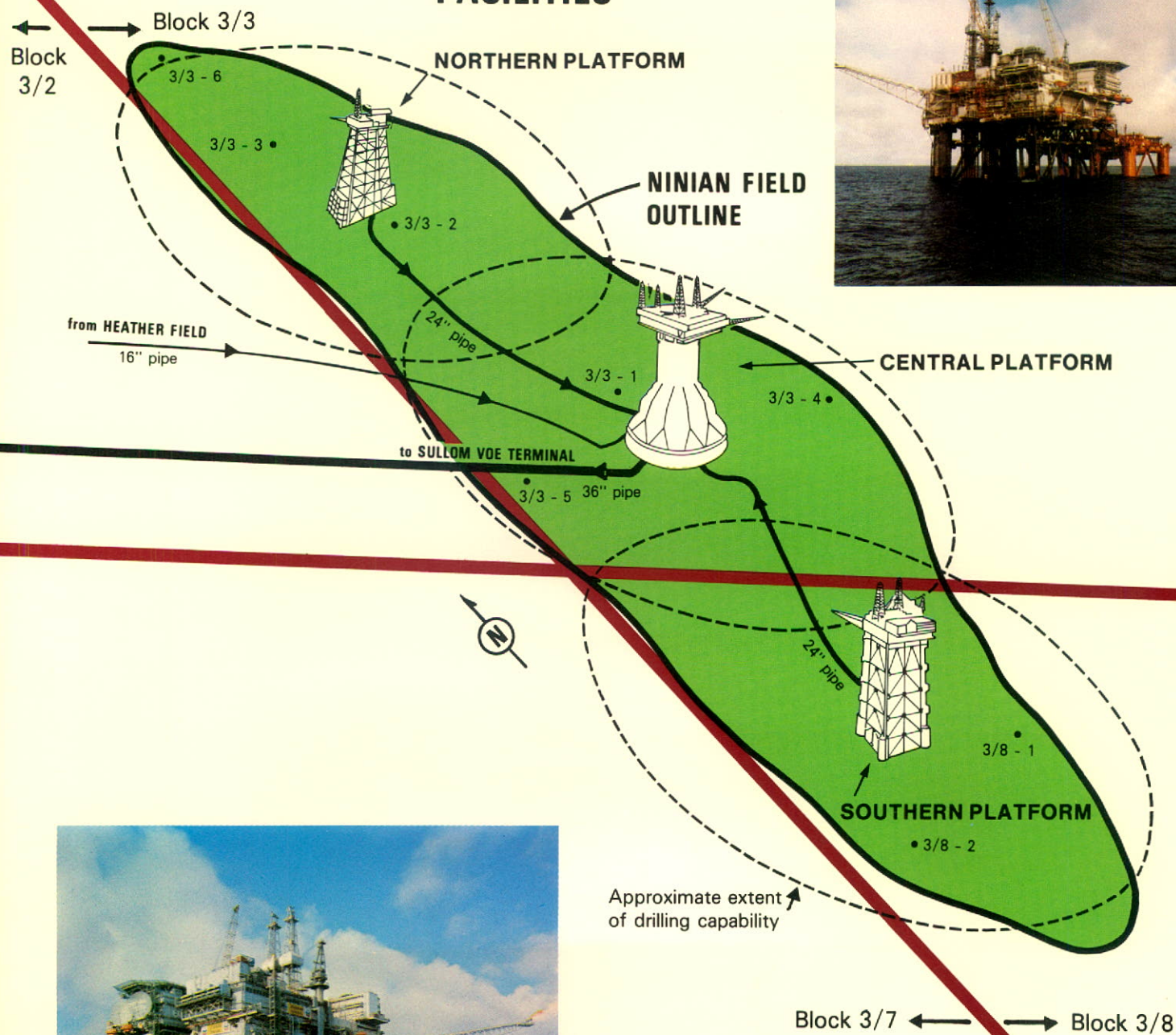
At each redetermination of equity interests, oil production, operating expenses and capital expenditures to the date of adjustment will be retroactively adjusted (with interest) in accordance with the new equity share assigned.

*Sullom Voe Terminal and Jetties.*





# NINIAN OIL FIELD FACILITIES



(as of APRIL 1980)



# United Kingdom Operations

## **Licence P. 114; Blocks 22/27a and 23/27 (Ranger interest: 40%)**

A seismic program, completed late in 1978 across the northern part of Block 23/27, was interpreted in order to evaluate the potential of the 23/27-3 Paleocene oil discovery. Additional drilling will be required to determine the commercial potential of this prospect.

## **Licence P. 128; Blocks 48/18b and 48/19b (Ranger interest: 23%)**

The Company drilled the 48/18b-1 Rotliegendes gas discovery well in 1972. During 1979 limited work was carried out on the licence, pending clarification of U.K. Government policy regarding gas pricing and delivery. It is anticipated that policy changes could lead to further work to establish the commercial potential of this discovery.

## **Licence P.199; Block 3/8a (Ranger Interest: 20%)**

The Company is participating in the drilling of two exploration wells on Block 3/8a. The wells were spudded in early March 1980 and are located south of the existing Ninian field.

Well 3/8a-5 is located approximately 1,150 feet east of the common boundary between Blocks 3/7a and 3/8a and is a follow-up to the 3/8-3 oil discovery made in 1975 by the BP/Ranger Group. The well will be drilled to a proposed depth of 12,700 feet to test the middle Jurassic. The cost of the well will be shared on a 50/50 basis between the P.199 Group (Block 3/8a), and the P.203 Group (Block 3/7a).

Well 3/8a-6 is located between the current southern boundary of the

Ninian field and well 3/8a-5. The well is being drilled by the BP/Ranger P.199 Group to a proposed depth of 11,000 feet to test the middle Jurassic.

## **Licence P.229; Blocks 3/30a, 4/21 and 4/26 (Ranger Interest: 20%)**

A geophysical survey will be conducted over these blocks in 1980 to investigate the hydrocarbon indications found by well 3/30-2a and to evaluate further prospects on the licence.

## **U.K. Seventh Round**

The U.K. Government has announced its intention of holding the Seventh Round of offshore licence allocations in 1980. It is Ranger's intention to apply for acreage in this round of licencing.



*Construction of Sullom Voe terminal on Calback Ness. First tanker to load crude oil at Jetty 1 in background (photo courtesy of British Petroleum).*



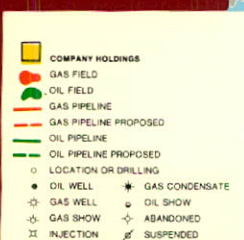
## NINIAN AREA



## FRIGG AREA



## COD AREA





# NINIAN FIELD AND VICINITY

KILOMETERS 0 1 2 3 4 5 6 7 8 9 10 KILOMETERS  
MILES 0 1 2 3 4 5 6 MILES

1°20'E. 1°24' 1°28' 1°32' 1°36'E.

60°57'

60°57'N.

60°55'

60°55'

60°50'

60°50'

60°45'

60°45'

60°43'N.

60°43'N.

FROM HEATHER  
→

3/2

3/3


3/4

TO SULLOM VOE 2

FLAGS GAS GATHERING SYSTEM  
FROM BRENT TO ST. FERUS

RANGER GROUP 25,032 ACRES


**COMPANY HOLDINGS**


 GAS FIELD

 OIL FIELD

 GAS PIPELINE

 GAS PIPELINE PROPOSED

 OIL PIPELINE

 LOCATION

 OIL WELL

 INJECTION WELL

 6A● EXPLORATION WELLS

 S10● DEVELOPMENT WELLS

(as of APRIL 1980)

3/7

3/8

3/9

1°20'E.

1°24'

1°28'

1°32'

1°36'E.



# Canadian Operations

The Company participated in the drilling of 52 wells during 1979, resulting in 20 gas wells, 17 oil wells and 15 dry holes. Of the total, 47 wells were drilled in Alberta and 5 in British Columbia.

The Company continued its successful drilling program in the Hawkins-Kinsella area of Alberta during 1979. Three gas wells were drilled in Hawkins and six gas wells in the Kinsella area. Ranger and partners also acquired the gas compression facilities in the Viking-Kinsella gas field and the plant is now being operated by Company personnel at rates up to 10,400 Mcf per day.

The Suffield "C" Block is the scene of a large exploration drilling program with 12 wells drilled during 1979, and a total of 33 wells to date. A total drilling program of 67 wells is anticipated prior to July 1, 1980. Drilling so far has resulted in 4 oil and 6 gas discoveries. After completion of the above program,

the Company will earn a 15% working interest in the 88,080 acre block.

Successful follow-up drilling was accomplished at Edson West in Central Alberta, and a further 3 wells are planned in 1980. First gas sales from this field are anticipated by late 1981.

Three gas wells were drilled in the Rich gas field of Alberta during 1979. New gas processing facilities were placed on stream in February 1979 at 2,500 Mcf per day. The plant has recently been enlarged and is now processing an average of 4,000 Mcf per day. Four additional wells are planned in 1980.

A total of 13 wells was drilled in the Keystone field in Central Alberta, bringing the field total to 17. Central production facilities and gathering systems have been constructed and are in operation.

Waterflood studies are in progress with secondary recovery planned.

An oil discovery was made in the Vauxhall area of Alberta. The well is currently producing at 44 barrels per day. Follow-up wells are planned in 1980.

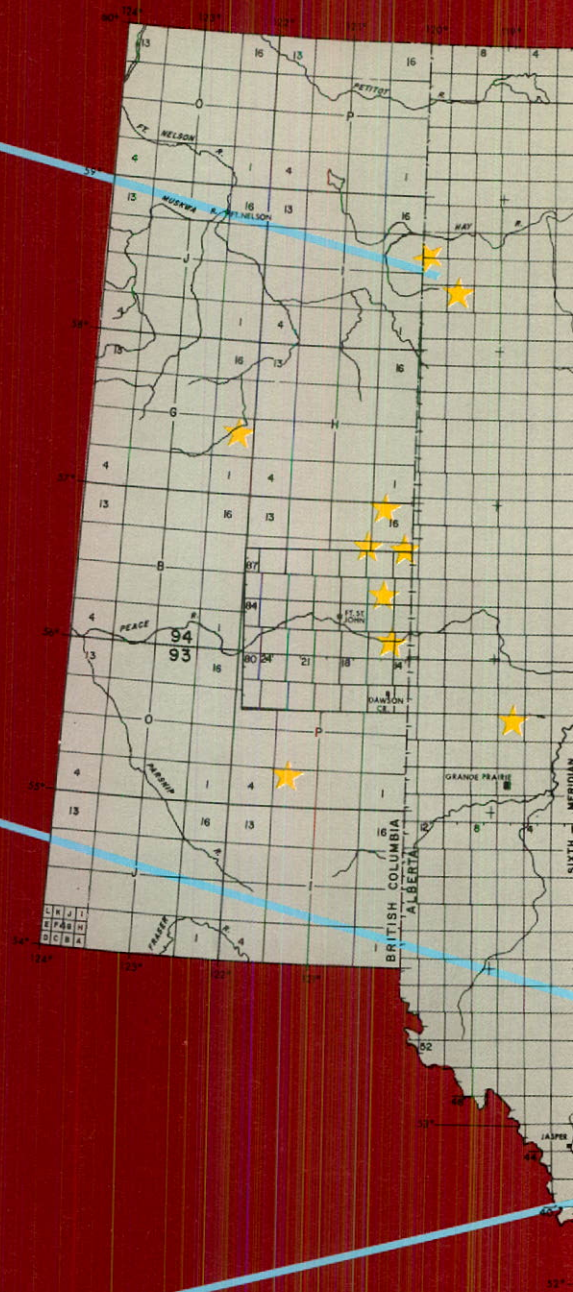
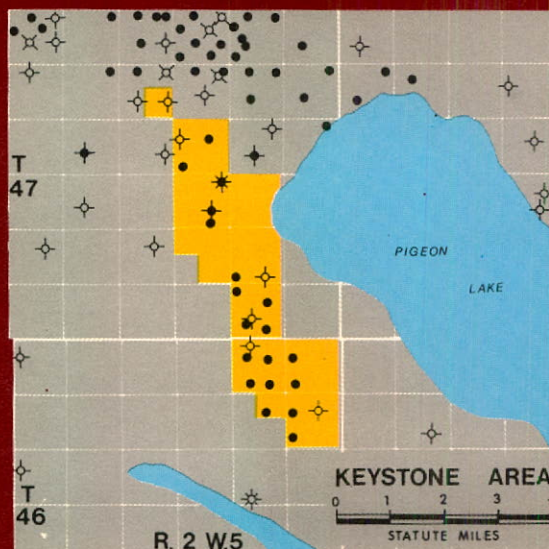
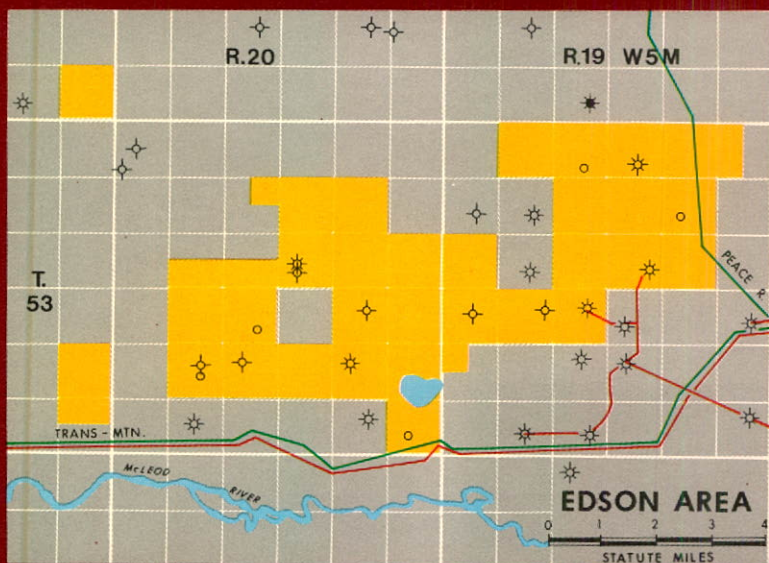
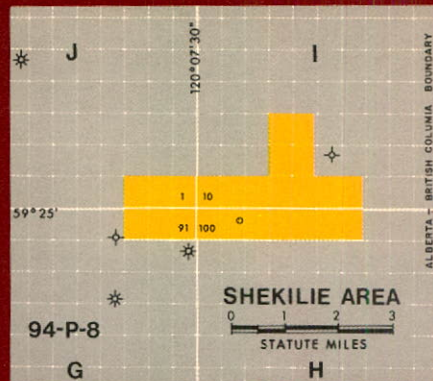
Two gas wells were drilled in the West Pembina area of Alberta. Both wells are presently shut-in awaiting gas sales contracts. One additional well is planned in 1980.

Two successful gas wells were drilled in the Craig Lake area of Central Alberta. First gas sales from these wells are expected in mid-1980 with additional drilling planned.



*Drilling operations in the Brazeau River area of Alberta.*



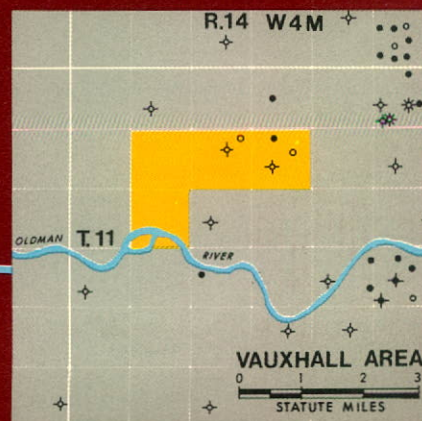
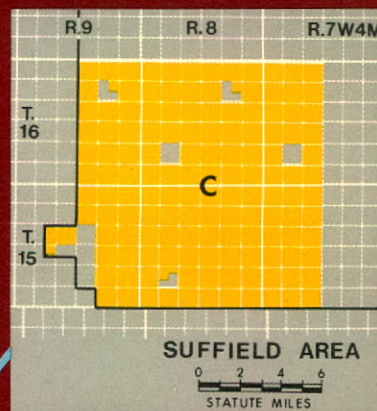
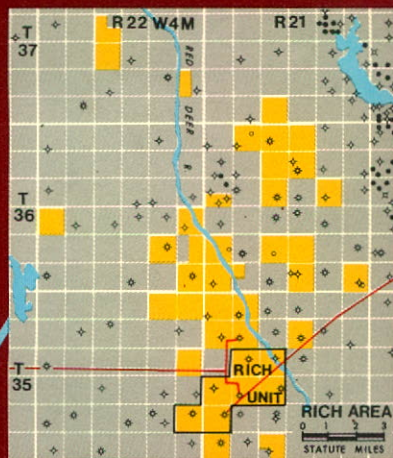
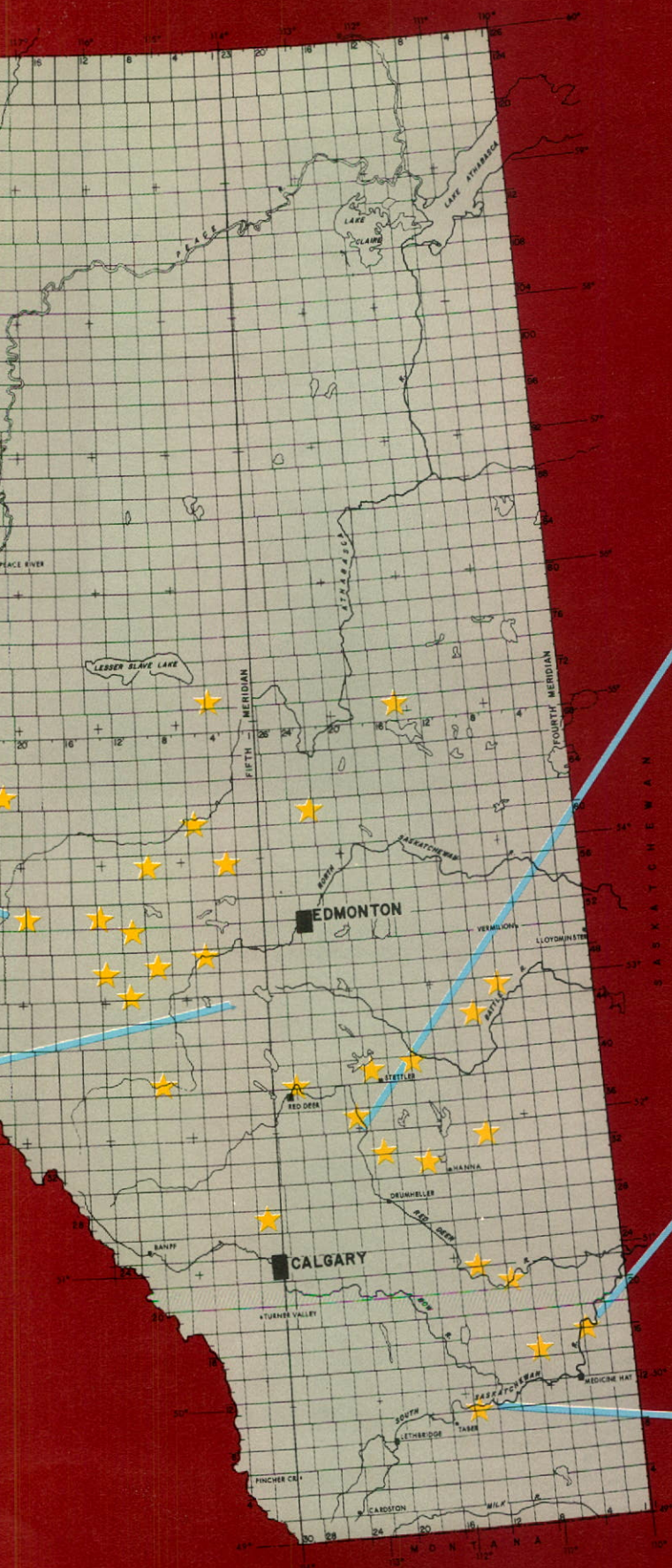


**ALBERTA & NE. BRITISH COLUMBIA**

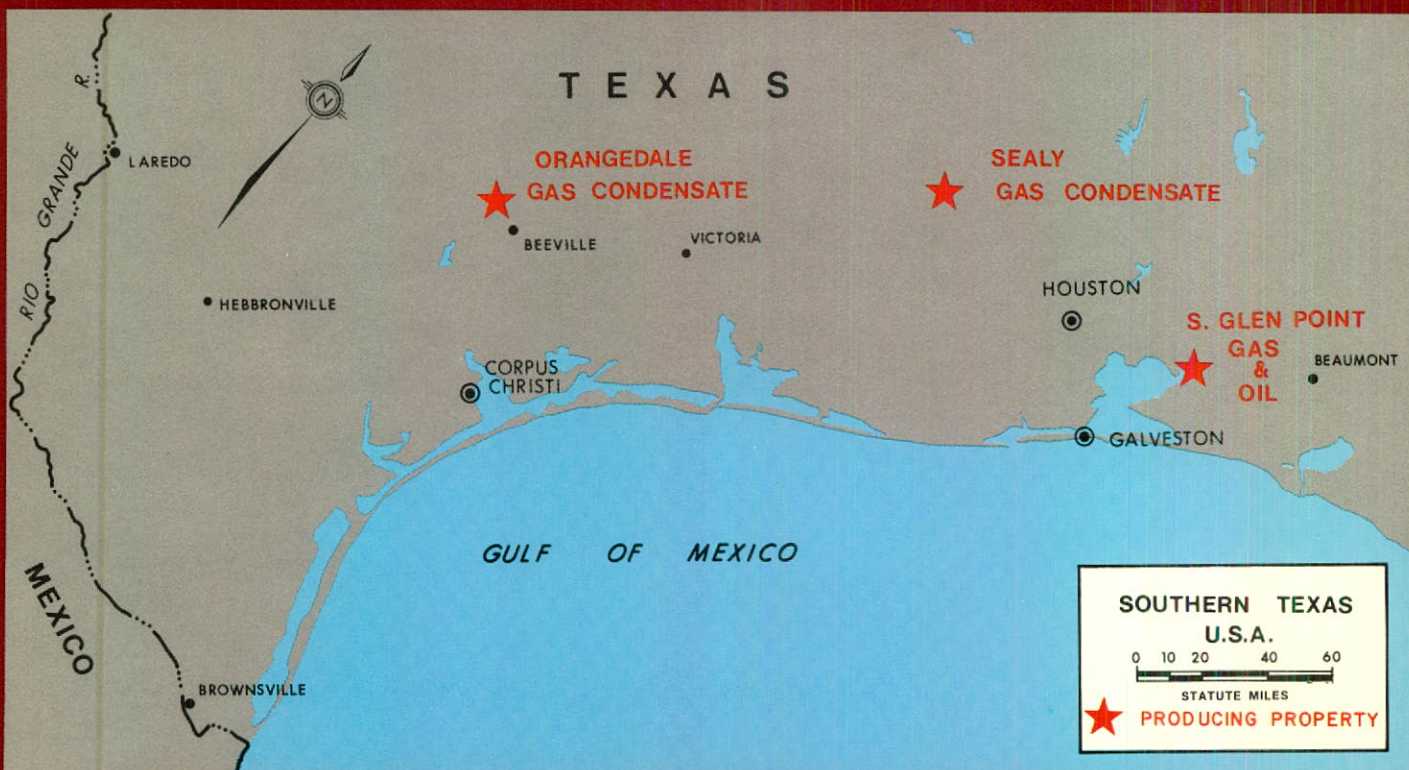
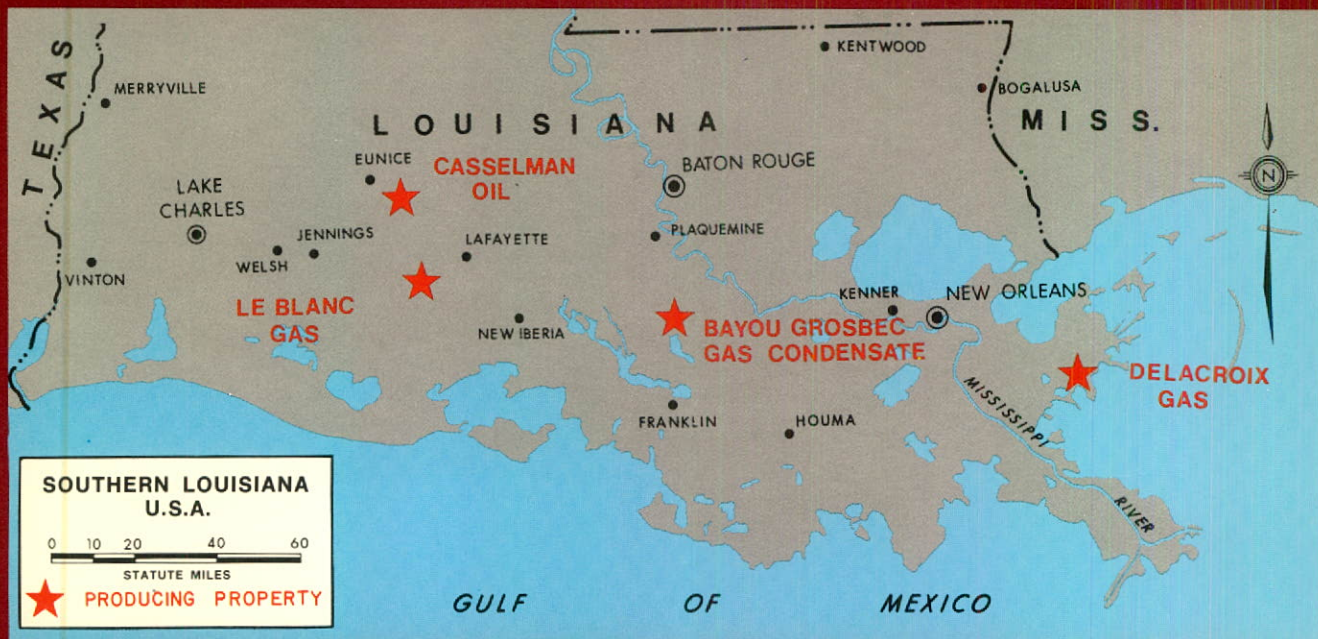
W 123 0 100 200 300 MILES













## U.S. Operations

The Company drilled 6 wells in 1979 in the Gulf Coast area resulting in two oil wells and one gas well.

Effective April 1, 1979, the Company increased its interest in the Sealy Field to 50% by acquisition of a 25% working interest from one of the Company's partners. The Sealy Field has seven producing wells and is currently producing at a rate of 3,200 Mcf per day.

## International

Late in 1979 the Company acquired a 20% interest in a concession area covering approximately 3,340 square miles in the interior of Guyana. A reconnaissance seismic survey is currently being conducted and results to date are encouraging.

The Company is a participant in seven group seismic surveys covering approximately 154,500 square miles offshore the People's Republic of China. The surveys are nearing completion and interpretation of the data is under way.

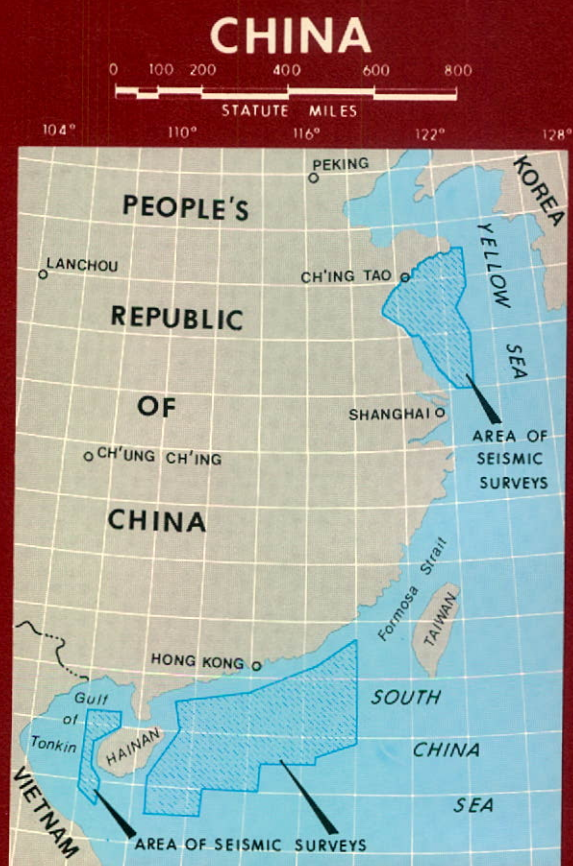
Other geologically promising areas of the world are being reviewed with a view to possible future Company exploration activity.

## Coal

During 1979 an engineering feasibility study was completed on the Company's 20,000 acres of metallurgical coal licences in the Chetwynd area of Northeastern British Columbia. An environmental study was also completed in order to assess the impact of possible future mining operations on the area's social and ecological environment.

Reclamation work was carried out on the property to restore unused access roads to their original grassland condition.

Further field work is planned for 1980.





# Management's Analysis of Financial Results

(Expressed in U.S. dollars)

## Earnings

Consolidated net earnings for the year ended December 31, 1979 were \$10,942,000 (\$.57 per share) compared to a restated loss of \$3,773,000 (\$.22 per share) for 1978. Cash flow from operations increased to \$50,125,000 from \$5,053,000 for the corresponding period. Gross revenue during 1979 increased to \$69,961,000 from \$9,548,000.

## Revenue

Oil and gas sales increased by \$60,412,000 in 1979. The

substantial increase in 1979 is directly attributable to the commencement in January, 1979 of oil sales from the Ninian field. Revenue from Ninian production in 1979 amounted to \$58,918,000. Higher wellhead prices for oil and gas in both Canada and the United States also contributed to the increase in revenues. The following table sets forth the impact of price increases, changes in production volumes and royalty rates on 1979 revenues as compared to 1978:

	(thousands of U.S. dollars)
Increased oil and natural gas liquids prices .....	\$ 401
Increased gas prices .....	752
Increased oil and natural gas liquids production .....	65,363
Increased gas production .....	858
Increase in oil and natural gas liquids and gas sales. ....	67,374
Increase in royalty payments .....	6,962
Net increase in oil and natural gas liquids and gas revenue .....	<u>\$60,412</u>



Allan K. Surridge, Vice President -  
Finance and Treasurer.

Ninian Southern Platform (photo  
courtesy of Chevron Petroleum (U.K.)  
Ltd.).



## Expenses

### Ninian

The commencement in 1979 of production and revenue from the Ninian oil field has resulted in a significant change in the Company's operations. The increase in consolidated expenses directly attributable to the Ninian field for 1979 is as follows:

Production . . . . .	\$ 4,441,000
General and administrative . . . .	627,000
Depletion and depreciation . . . . .	13,761,000
Provision for future site restoration costs . . . . .	2,053,000
Interest costs . . . . .	8,661,000
Income and U.K. Petroleum Revenue taxes . . .	20,119,000

### North America

Production costs increased by \$528,000 (40%) and general administrative expenses increased by \$446,000 (37%) in 1979. These

increases reflect the impact of inflation on the cost of goods and services. In addition, increases in general and administrative expenses reflect the higher corporate overhead associated with the increase in scope of the Company's activities.

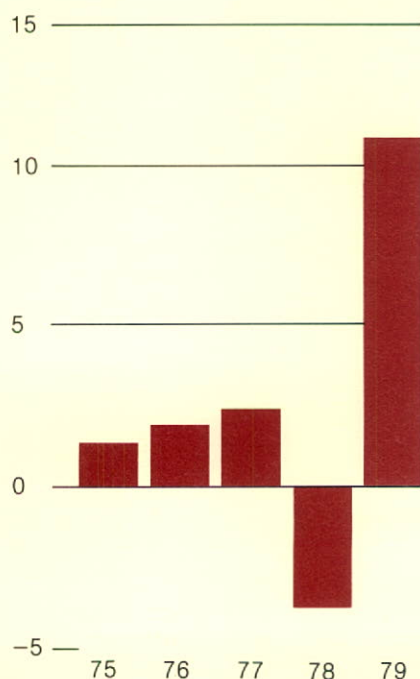
Interest costs increased \$67,000 (3%) in 1979. Increased interest rates in 1979 were offset by a reduction in borrowing through the application of the proceeds of the Company's common share issue in March, 1979.

The higher depletion and depreciation expenses and the write-down of oil and gas properties in 1978 is attributable to a change in accounting policy to the SEC prescribed method of "full cost" accounting. Under these rules, cost centres are established on a country by country basis, and should not exceed the value of related reserves computed utilizing SEC guidelines. This change in accounting resulted in a write-down in 1978 of \$7,662,000 of costs accumulated in the U.S. and other foreign cost centres.

In addition, the Company retroactively adopted comprehensive income tax allocation accounting for its U.S. producing activities. These changes in accounting had the total effect of decreasing consolidated net earnings for 1978 by \$6,058,000. The effect of these changes in accounting on 1979 consolidated net earnings was not material.

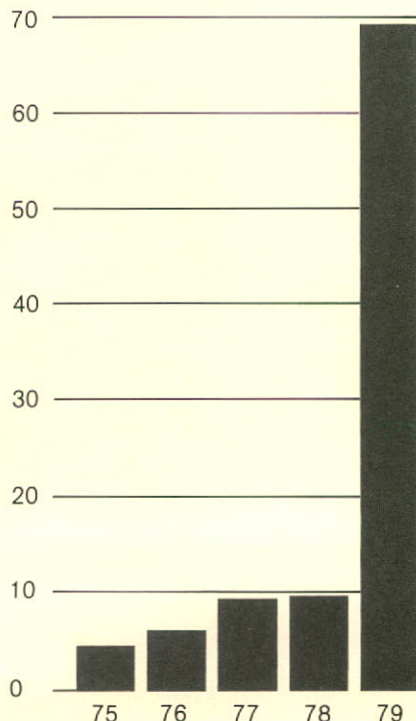
## Net Earnings

(in millions of dollars U.S.)



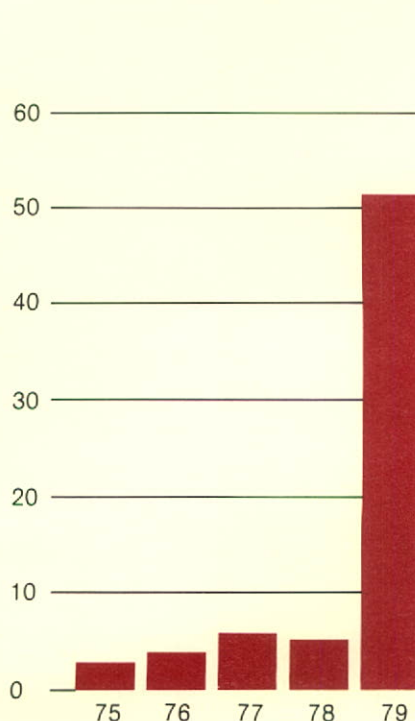
## Gross Revenue

(in millions of dollars U.S.)



## Cash Flow

(in millions of dollars U.S.)





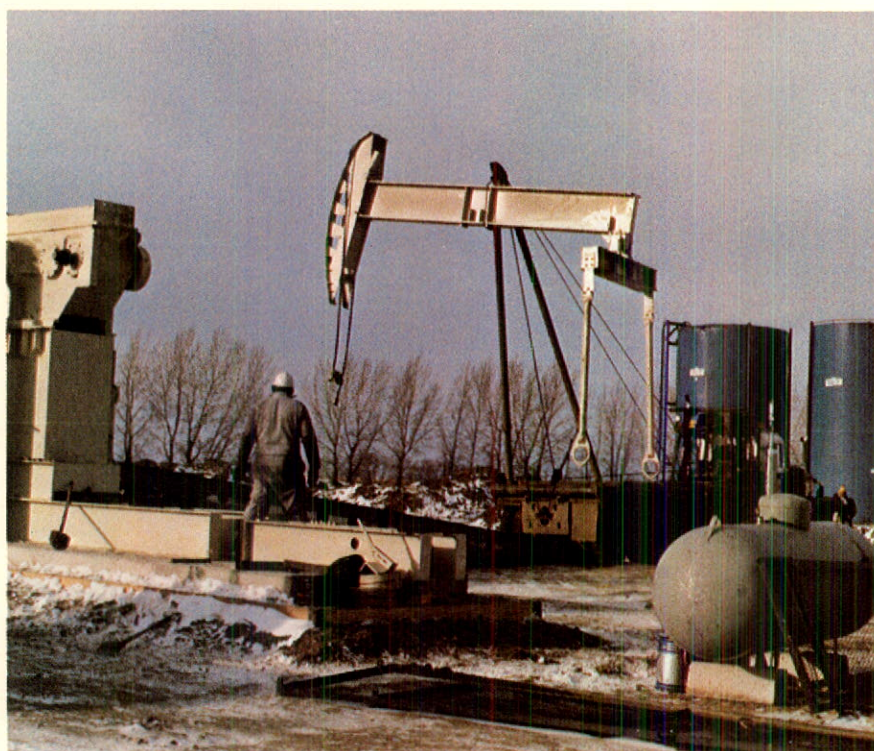
# Summary of Operations

## Consolidated Statement of Earnings

(expressed in thousands of U.S. dollars)

The consolidated statement of earnings for the four years ended December 31, 1978 has been restated from that previously reported to give retroactive effect to the change to reporting in U.S. dollars and to the changes in accounting for oil and gas operations and income taxes.

	Year Ended December 31,				
	1979	1978	1977	1976	1975
<b>REVENUE</b>					
Oil and gas sales, net of royalties .....	<b>\$69,158</b>	\$ 8,746	\$8,294	\$6,290	\$4,760
Investment and other income .....	<b>803</b>	802	738	249	39
	<b>69,961</b>	9,548	9,032	6,539	4,799
<b>EXPENSES</b>					
Production .....	<b>6,290</b>	1,321	1,167	747	706
General and administrative .....	<b>2,280</b>	1,207	1,030	829	618
Interest .....	<b>11,189</b>	2,461	1,320	1,015	330
Depletion and depreciation .....	<b>16,542</b>	1,680	1,669	1,380	1,193
Write-down of oil and gas and mineral properties .....	<b>323</b>	7,662	—	53	—
Provision for future site restoration costs .....	<b>2,053</b>	—	—	—	—
	<b>38,677</b>	14,331	5,186	4,024	2,847
Earnings (loss) before taxes .....	<b>31,284</b>	(4,783)	3,846	2,515	1,952
<b>INCOME AND U.K. PETROLEUM REVENUE TAXES (RECOVERIES) .....</b>	<b>20,342</b>	(1,010)	1,385	737	696
<b>NET EARNINGS (LOSS) .....</b>	<b>\$10,942</b>	<b>\$(3,773)</b>	<b>\$2,461</b>	<b>\$1,778</b>	<b>\$1,256</b>
<b>NET EARNINGS (LOSS) PER COMMON SHARE .....</b>	<b>\$.57</b>	<b>\$(.22)</b>	<b>\$.14</b>	<b>\$.10</b>	<b>\$.07</b>



Battery and pump-jack installation in the Vauxhall area of Alberta.



# Consolidated Balance Sheet

as at December 31, 1979 and 1978  
(expressed in thousands of U.S. dollars)

## ASSETS

	1979	1978 (note 2)
<b>CURRENT ASSETS</b>		
Cash, including short-term interest-bearing deposits .....	\$ 4,194	\$ 3,027
Accounts receivable .....	17,705	7,380
Income taxes recoverable .....	169	1,154
Inventory, at lower of cost and net realizable value .....	529	616
	<u>22,597</u>	<u>12,177</u>
<b>PROPERTY, PLANT AND EQUIPMENT</b> (note 3) .....	245,975	207,592
<b>DEFERRED CHARGES</b> .....	—	433
	<u>\$268,572</u>	<u>\$220,202</u>

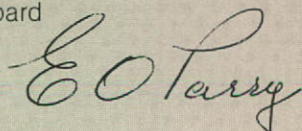
## LIABILITIES

<b>CURRENT LIABILITIES</b>		
Accounts payable .....	\$ 17,727	\$ 7,605
Current maturities on bank loans .....	4,496	2,531
	<u>22,223</u>	<u>10,136</u>
<b>BANK LOANS</b> (note 4) .....	163,987	178,279
<b>DEFERRED GAS REVENUE</b> .....	700	397
<b>PROVISION FOR FUTURE SITE RESTORATION COSTS</b> .....	2,053	—
<b>DEFERRED TAXES</b> .....	25,117	5,265

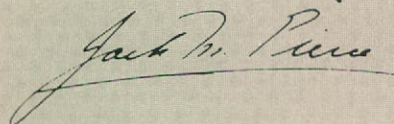
## SHAREHOLDERS' EQUITY

<b>CAPITAL STOCK</b> (note 5)		
Authorized		
70,000 Preference shares at the par value of \$50 each		
30,000,000 Common shares of no par value		
Issued		
19,883,064 (1978 — 17,189,664) Common shares .....	37,910	20,485
<b>RETAINED EARNINGS</b> .....	16,582	5,640
	<u>54,492</u>	<u>26,125</u>
	<u>\$268,572</u>	<u>\$220,202</u>

Approved by the Board



Director



Director



# Consolidated Statement of Earnings

Years ended December 31, 1979 and 1978  
(expressed in thousands of U.S. dollars)

	1979	1978 (note 2)
<b>REVENUE</b>		
Oil and gas sales, net of royalties. ....	\$69,158	\$ 8,746
Investment and other income. ....	803	802
	<u>69,961</u>	<u>9,548</u>
<b>EXPENSES</b>		
Production. ....	6,290	1,321
General and administrative. ....	2,280	1,207
Interest (note 1) ....	11,189	2,461
Depletion and depreciation ....	16,542	1,680
Write-down of oil and gas and mineral properties. ....	323	7,662
Provision for future site restoration costs ....	2,053	—
	<u>38,677</u>	<u>14,331</u>
Earnings (loss) before taxes. ....	<u>31,284</u>	<u>(4,783)</u>
<b>INCOME AND U.K. PETROLEUM REVENUE</b>		
<b>TAXES (RECOVERIES)</b> (note 6). ....	<u>20,342</u>	<u>(1,010)</u>
<b>NET EARNINGS (LOSS)</b> ....	<u>\$10,942</u>	<u>\$ (3,773)</u>
<b>NET EARNINGS (LOSS) PER COMMON SHARE,</b> based on weighted average number of common shares outstanding (note 5) ....	<u>\$ .57</u>	<u>\$ (.22)</u>

# Consolidated Statement of Retained Earnings

Years ended December 31, 1979 and 1978  
(expressed in thousands of U.S. dollars)

	1979	1978
<b>BALANCE AT BEGINNING OF YEAR</b>		
Before restatement ....	\$13,802	\$11,517
Adjustment resulting from retroactive changes in accounting for oil and gas operations and income taxes (note 2) ....	(8,162)	(2,104)
As restated ....	5,640	9,413
Net earnings (loss). ....	10,942	(3,773)
<b>BALANCE AT END OF YEAR</b> .....	<u>\$16,582</u>	<u>\$ 5,640</u>



# Consolidated Statement of Changes in Financial Position

Years ended December 31, 1979 and 1978  
(expressed in thousands of U.S. dollars)

	1979	1978 (note 2)
<b>SOURCE OF FUNDS</b>		
Net earnings (loss) .....	<b>\$10,942</b>	\$(3,773)
Charges not requiring funds		
Depletion and depreciation .....	<b>16,542</b>	1,680
Write-down of oil and gas and mineral properties .....	<b>323</b>	7,662
Provision for future site restoration costs .....	<b>2,053</b>	—
Deferred income taxes .....	<b>20,265</b>	(516)
Funds generated from operations .....	<b>50,125</b>	5,053
Bank loans .....	<b>21,711</b>	76,172
Deferred gas revenue .....	<b>303</b>	397
Issue of common shares .....	<b>17,445</b>	354
	<b>89,584</b>	81,976
<b>APPLICATION OF FUNDS</b>		
Property, plant and equipment .....	<b>55,248</b>	79,891
Bank loans .....	<b>36,003</b>	2,792
Deferred charges .....	<b>—</b>	433
	<b>91,251</b>	83,116
<b>DECREASE IN WORKING CAPITAL</b> .....	<b>(1,667)</b>	(1,140)
Working capital at beginning of year .....	<b>2,041</b>	3,181
<b>WORKING CAPITAL AT END OF YEAR</b> .....	<b>\$ 374</b>	\$ 2,041

## Auditors' Report

To the Shareholders of  
Ranger Oil (Canada) Limited

We have examined the consolidated balance sheet of Ranger Oil (Canada) Limited as at December 31, 1979 and 1978 and the consolidated statements of earnings, retained earnings and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company as at December 31, 1979 and 1978 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change to reporting in U.S. dollars and to the changes in accounting for oil and gas operations and income taxes as described in note 2, on a consistent basis.

*Thorne Riddell & Co.*

Chartered Accountants

Calgary, Canada  
March 6, 1980



# Notes to Consolidated Financial Statements

Years ended December 31, 1979 and 1978

## 1. ACCOUNTING POLICIES

### Principles of Consolidation

The consolidated financial statements include the accounts of Ranger Oil (Canada) Limited and all its subsidiaries ("the Company"). As at December 31, 1979 all subsidiaries were wholly-owned with the exception of Bralsaman Petroleums Limited in which the Company had a 98.8% interest.

### U.S. Dollar Reporting

The majority of the Company's business is transacted in U.S. dollars and, accordingly, the consolidated financial statements are expressed in that currency.

### Currency Translation

The accounts recorded in other currencies have been translated into U.S. dollars on the following basis:

- (i) Current assets and current liabilities, at the rate of exchange in effect as at the balance sheet date;
- (ii) Property, plant and equipment, at the rate of exchange in effect at the date on which the respective assets were acquired;
- (iii) Bank loans, at the rate of exchange in effect at the date on which the funds were borrowed;
- (iv) Revenue and expenses (excluding depletion, depreciation and write-downs of oil and gas and mineral properties which are translated at the same rates as the related assets), at the average rate of exchange for the year.

### Oil and Gas Operations

The Company follows the "full cost" method of accounting for oil and gas operations whereby all costs of exploring for and developing oil and gas reserves are capitalized. Such costs, including the costs of production equipment, are accumulated in centres established on a country-by-country basis and depleted using the unit-of-production method based upon the estimated proved oil and gas reserves in each centre, or charged to income if exploration in any centre is determined to be unsuccessful.

### Capitalization of Interest Costs

The costs of developing oil and gas reserves include interest and other financing charges on funds specifically borrowed to finance major costs of ongoing developments (such as the Ninian Field in the North Sea). Such charges are capitalized (1979 — \$10,083,000; 1978 — \$9,598,000) and amortized against production revenues on the same basis as other development costs.

### Site Restoration

The Company provides for major site restoration costs (such as the removal of off-shore production platforms at the end of the producing life of a field) on a unit-of-production basis, based on its share of the estimated future liability for such costs.

### Mineral Exploration

Costs relating to mineral exploration are capitalized, and will be depleted based upon production from related mineral reserves as and when discovered or charged to income if exploration is determined to be unsuccessful.

### Taxes

The Company follows the tax allocation method of accounting under which (i) the provision for corporate income taxes is based on the earnings reported in the accounts, and (ii) the estimated total liability for U.K. petroleum revenue tax is apportioned to accounting periods on the basis of gross revenues derived from U.K. oil and gas production.

### Depreciation

Depreciation of aircraft and other equipment has been provided in the accounts at methods and per annum rates (ranging from 10% to 30%) which are estimated to amortize the cost of the assets less salvage values over their useful lives.

### Joint Ventures

Substantially all the Company's exploration and development activities related to oil and gas are conducted jointly with others and, accordingly, the accounts reflect only the Company's proportionate interest in such activities.



#### 4. BANK LOANS

	1979	1978
	(thousands of U.S. dollars)	
Ranger Oil (Canada) Limited		
U.S. dollar bank loan, bearing interest at 1% above bank's U.S. base lending rate .....	\$ 28,975	\$ 38,000
Canadian dollar bank loan (1979 — \$4,000,000 Cdn.; 1978 — \$5,000,000 Cdn.) bearing interest at 1% above bank's prime lending rate .....	3,408	4,541
	<u>32,383</u>	<u>42,541</u>
Ranger Oil (U.K.) Limited		
U.S. dollar bank loan .....	136,100	123,700
Accrued Ninian development charges, to be paid from additional bank borrowings .....	—	14,569
	<u>136,100</u>	<u>138,269</u>
	<u>168,483</u>	<u>180,810</u>
Less current maturities included in current liabilities .....	4,496	2,531
	<u>\$163,987</u>	<u>\$178,279</u>

The bank loans of Ranger Canada were evidenced by a demand debenture, and were principally secured by that company's North American oil and gas properties. The loan of Ranger U.K. was advanced under arrangements for financing the development costs of the Ninian Field in the North Sea (see note 7). That loan was principally secured by the company's interest in the Ninian Field, with interest at the London Interbank Offered Rate ("LIBOR") plus 1½%. The effective rate of interest for 1979 was 12.8% (1978 — 9.7%). Ranger U.K. also pays a financing fee, payable in crude oil, equivalent to 8% of its share of Ninian crude oil production. The loan was repayable from the net proceeds from Ninian Field production, with provision for minimum payments.

All of the above loans were substantially repaid in March 1980 from funds borrowed under new bank loan arrangements, under which Ranger U.K. has been provided with production loan facilities aggregating \$175,000,000 U.S.

Ranger U.K.'s new production loans bear interest at LIBOR plus ¾% per annum and are to be principally secured by the company's interest in the Ninian Field. The loans are repayable from the net cash flow from Ninian Field production. The company will continue to be liable for the financing fee equal to 8% of its share of Ninian crude oil production. Ranger U.K. also pays a standby fee of ¼% per annum on the difference between the principal amount of the revolving portion (\$41,000,000 as of March 6, 1980) of the loan outstanding and \$50,000,000.

The new loan arrangements also provide Ranger Canada with operating loan facilities of \$15,000,000 Cdn. The operating loan will bear interest at the bank's prime lending rate and will be secured by the company's Canadian oil and gas properties, together with a first floating charge over all its other assets, subordinate to the security for the Ranger U.K. loans. Funds borrowed under the operating loan facility are to be repaid from the company's general cash flow.

#### 5. CAPITAL STOCK

- (a) Effective December 12, 1979, the Company's common shares, issued and unissued, were split on a two-for-one basis and the authorized number of common shares was increased to 30,000,000. All share and per share data in the accompanying financial statements and notes thereto reflect the two-for-one split retroactively.



## Oil and Gas Sales

Revenue from oil and gas sales is net of all royalties and the financing fee of 8% of the Company's share of crude oil production from the Ninian Field (see note 4).

## 2. CHANGES IN ACCOUNTING POLICIES

Prior to January 1, 1979, the Company (i) reported its consolidated financial statements in Canadian dollars, (ii) followed a form of "full cost" accounting whereby exploration and development costs were capitalized under two cost centres (North America, and the North Sea and adjoining offshore areas), and (iii) did not provide for deferred income taxes in its U.S. operations on timing differences relating to intangible drilling and development costs.

Effective December 31, 1979 the Company changed to reporting its financial statements in U.S. dollars. In addition, the Company, in accordance with new U.S. Securities and Exchange Commission rules for oil and gas producers, retroactively adopted the form of "full cost" accounting described in note 1 above, and comprehensive income tax allocation accounting for its U.S. oil and gas producing activities.

These changes in accounting resulted in, among other things, a write-down in 1978 of \$7,662,000 of costs accumulated in the U.S. and other foreign cost centres, and had the total effect of decreasing consolidated net earnings (stated in U.S. dollars) for the year ended December 31, 1978 by \$6,058,000 (\$.35 per common share). The effect on 1979 consolidated net earnings was not material.

## 3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Depletion and Depreciation	Net
	(thousands of U.S. dollars)		
<b>December 31, 1979</b>			
Oil and gas properties*			
Canada .....	\$ 32,882	\$ 9,455	\$ 23,427
United States .....	13,071	4,329	8,742
United Kingdom			
Exploration .....	20,175	1,267	18,908
Ninian development .....	200,316	12,580	187,736
Other foreign areas .....	2,378	—	2,378
Mineral properties .....	2,490	—	2,490
Aircraft .....	1,219	654	565
Other equipment .....	858	465	393
Land and buildings .....	1,388	52	1,336
	<u>\$274,777</u>	<u>\$28,802</u>	<u>\$245,975</u>
<b>December 31, 1978</b>			
Oil and gas properties*			
Canada .....	\$ 27,187	\$ 7,844	\$ 19,343
United States .....	9,709	3,388	6,321
United Kingdom			
Exploration .....	19,962	—	19,962
Ninian development .....	156,500	—	156,500
Other foreign areas .....	426	—	426
Mineral properties .....	2,436	—	2,436
Aircraft .....	1,152	587	565
Other equipment .....	765	398	367
Land and buildings .....	1,715	43	1,672
	<u>\$219,852</u>	<u>\$12,260</u>	<u>\$207,592</u>

\*Includes oil and gas properties, together with exploration, development and production equipment thereon.



- (b) Changes in outstanding common share capital during the two years ended December 31, 1979 were as follows:

	Number of Shares	Amount (U.S. dollars)
Balance, December 31, 1977.....	17,087,264	\$20,131,000
Shares issued for cash on exercise of stock options.....	102,400	354,000
Balance, December 31, 1978.....	17,189,664	20,485,000
Shares issued		
For cash on exercise of stock options.....	93,400	397,000
For cash on public offering.....	2,600,000	17,028,000*
Balance, December 31, 1979.....	19,883,064	\$37,910,000

\*net of share issue expenses of \$888,000, less applicable income tax benefits of \$413,000

- (c) As of December 31, 1979, 527,400 common shares of the Company are reserved under an employees' stock option plan, of which options to purchase 477,000 shares are outstanding, exercisable from time to time to October 1985 at prices ranging from \$3.75 Cdn. to \$18.50 Cdn. per share.

Changes during 1979 and 1978 in the number of optioned shares were as follows:

	1979	1978
Outstanding at beginning of year.....	608,400	616,000
Options granted.....	40,000	198,000
Options exercised.....	(93,400)	(102,400)
Options cancelled.....	(78,000)	(103,200)
Outstanding at end of year.....	477,000	608,400

## 6. INCOME AND U.K. PETROLEUM REVENUE TAXES (RECOVERIES)

Tax expense is comprised of the following:

	Canada	United States (thousands of U.S. dollars)	United Kingdom	Total
<b>Year Ended December 31, 1979</b>				
Corporate Income Taxes				
Current.....	\$ 77	\$ —	\$ —	\$ 77
Deferred.....	146	—	8,435	8,581
	<u>223</u>	<u>—</u>	<u>8,435</u>	<u>8,658</u>
U.K. Petroleum Revenue Tax				
Deferred.....	—	—	11,684	11,684
	<u>\$223</u>	<u>\$ —</u>	<u>\$20,119</u>	<u>\$20,342</u>
<b>Year Ended December 31, 1978</b>				
Corporate Income Taxes (Recovery)				
Current.....	\$(494)	\$ —	\$ —	\$ (494)
Deferred.....	253	(769)	—	(516)
	<u>\$(241)</u>	<u>\$(769)</u>	<u>\$ —</u>	<u>\$ (1,010)</u>



## 7. COMMITMENTS

- (a) At present, the Company has a 5.192% interest in the Ninian Field in the U.K. sector of the North Sea and a corresponding interest in the Ninian Field share of the pipeline to the Shetland Islands and the terminal and processing facilities. The Company's interest in the Ninian Field (including its share of past and future production, development costs and operating expenses but excluding certain past expenditures incurred in connection with the production platform facilities) is based on the allocation of the original oil reserves in place and is subject to periodic adjustment as additional reservoir data from the field becomes available. The next redetermination of interests in the field is to be made in 1980, and it is expected that the Company's interest in the Field will finally be determined not later than July 1, 1984.

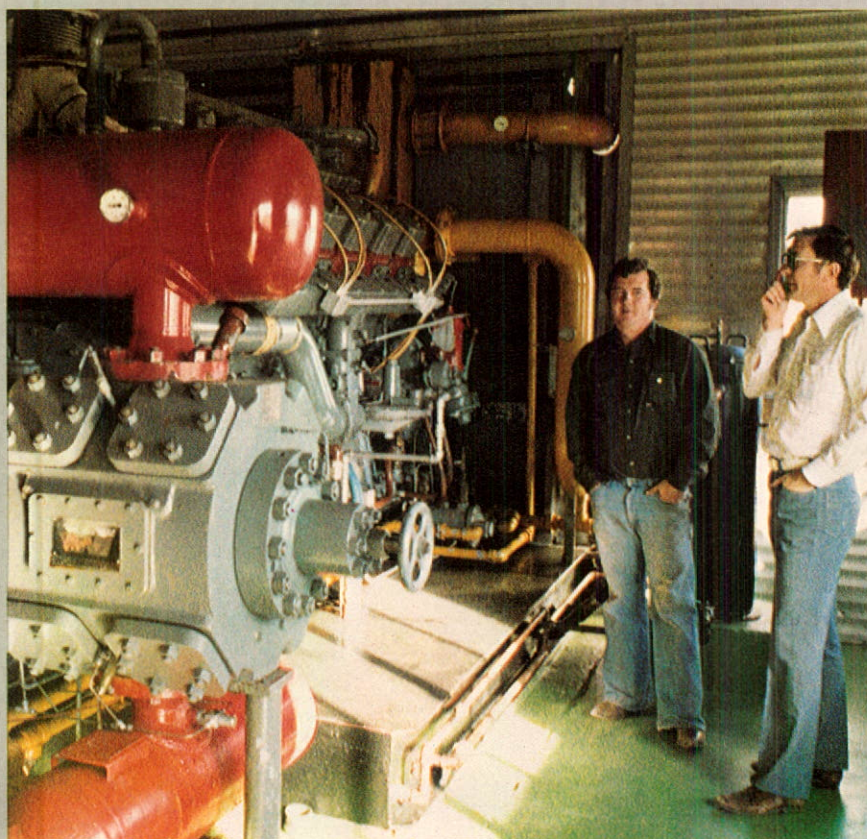
The Company's share of the total net costs of developing the Field, including related financing costs, is estimated to be \$253 million of which approximately \$200 million has been incurred as at December 31, 1979.

- (b) Future minimum lease payments under operating leases relating to the rental of office and other building facilities (but excluding leases relating to oil, gas and mineral rights) are as follows:

	(thousands of U.S. dollars)
Year ending December 31,	
1980 .....	\$ 370
1981 .....	370
1982 .....	370
1983 .....	370
1984 .....	370
Thereafter .....	3,582
	<u>\$5,432</u>

## 8. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

Remuneration paid during 1979 by the Company to directors and senior officers (including the five highest paid employees) of the Company totalled \$398,000 Cdn.



*Sand-fracture treatment in the Hawkins area of Alberta.*

*Area Foreman, Bill Wallace and Production Manager, Geoff Chase in the Kinsella compressor station in Alberta.*



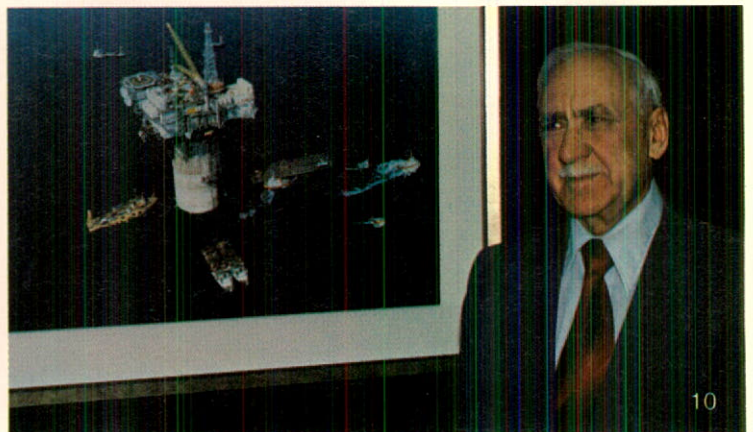
# Five Year Statistical Review

(in thousands unless otherwise stated — dollar amounts are expressed in U.S. dollars)

	1979	1978	1977	1976	1975
<b>Earnings</b>					
Gross Revenue .....	\$ 69,961	9,548	9,032	6,539	4,799
Cash Flow .....	\$ 50,125	5,053	5,610	3,703	2,845
Net Earnings (Loss) .....	\$ 10,942	(3,773)	2,461	1,778	1,256
Net Earnings (Loss) per share .....	\$ .57	(.22)	.14	.10	.07
<b>Balance Sheet</b>					
Working Capital .....	\$ 374	2,041	3,181	2,773	1,171
Property, Plant & Equipment — net .....	\$245,975	207,592	137,043	89,462	52,648
Bank Loans .....	\$163,987	178,279	104,899	60,895	24,971
Shareholders' Equity .....	\$ 54,492	26,125	29,544	27,039	25,039
Number of Shares					
Outstanding — at Year End .....	19,883	17,190	17,087	17,075	17,010
Market Price for Shares					
Toronto — High .....	\$ 27.38	9.94	7.82	4.82	6.50
— Low .....	\$ 8.00	6.44	4.50	3.19	2.63
American — High .....	\$ 23.25	8.63	7.50	4.91	6.57
— Low .....	\$ 6.69	5.44	4.44	3.13	2.63
<b>Capital Expenditures</b>					
North America .....	\$ 9,267	13,130	6,346	7,348	2,527
North Sea .....	\$ 44,029	66,335	42,904	30,899	26,859
Other Foreign Areas .....	\$ 1,952	426	—	—	—
<b>Land Holdings — Acres</b>					
North America — gross .....	423	498	1,088	1,751	1,526
— net .....	132	164	172	679	571
North Sea — gross .....	204	204	335	335	436
— net .....	60	60	111	111	152
Other Foreign Areas — gross .....	2,138	—	—	—	—
— net .....	428	—	—	—	—
<b>Production — North America</b>					
Crude Oil & Natural Gas Liquids — before royalty					
Annual (bbls) .....	473,000	477,000	507,000	489,000	494,000
Daily Average (bbls) .....	1,297	1,307	1,388	1,339	1,353
Natural Gas — before royalty					
Annual (Bcf) .....	6.4	5.6	6.2	5.3	5.3
Daily Average (Mcf) .....	17,644	15,243	16,940	14,425	14,644
<b>Production — United Kingdom</b>					
Crude Oil & Natural Gas Liquids — before royalty					
Annual (bbls) .....	2,960,000	—	—	—	—
Daily Average (bbls) .....	8,109	—	—	—	—

The above Net Earnings per Share and Share Market prices have been adjusted to give effect to a two-for-one stock split in August 1978 and a two-for-one stock split in December 1979.







## **BOARD OF DIRECTORS**

J. M. Pierce (Calgary, Alberta)  
Chairman & President of the Company

E. O. Parry (Calgary, Alberta)  
President of Morrin Holdings Ltd.,  
a family holding company

E. M. Bronfman (Toronto, Ontario)  
Chairman of Edper Investments Ltd.,  
a family investment and financial company

F. R. Matthews, Q.C. (Calgary, Alberta)  
Partner, MacKimmie Matthews,  
Counsel for the Company

A. B. Henderson (London, England)  
Director of Schlesinger Investment  
Management Services Limited

A. G. Hall (Calgary, Alberta)  
President of Sepic River Resource Ltd.

W. B. Dingle (Calgary, Alberta)  
Retired Oil Executive

## **OFFICERS & SENIOR PERSONNEL**

J. M. Pierce — President

J. J. Newman — Vice President - Exploration and  
Production

A. K. Surridge — Vice President - Finance and  
Treasurer

L. Treloar — Corporate Secretary

G. H. Bowman — Managing Director — Ranger  
Oil (U.K.) Limited

J. B. Robinson — Vice President - Operations &  
General Manager — Ranger Oil Company

## **BANKERS**

Bank of Montreal  
Calgary, Alberta

## **AUDITORS**

Thorne Riddell  
Calgary, Alberta

## **LEGAL COUNSEL**

MacKimmie Matthews  
Calgary, Alberta

Norton, Rose, Botterell & Roche  
London, England

## **TRANSFER AGENTS**

Guaranty Trust Company of Canada  
Calgary, Vancouver, Toronto

The Chase Manhattan Bank  
New York

## **STOCK EXCHANGE LISTINGS**

Toronto Stock Exchange  
American Stock Exchange  
London Stock Exchange

## **SUBSIDIARY COMPANIES**

Ranger Oil Company  
Ranger Oil (U.K.) Limited  
Ranger Oil (International) Limited  
Bralsaman Petroleums Limited

## **HEAD OFFICE**

26th Floor, 330 Fifth Avenue S.W.  
Calgary, Alberta  
T2P 0L4  
Telephone: (403) 263-1500  
Telex: 038-22876

## **U.S. BUSINESS OFFICE**

Ranger Oil Company  
710 The Main Building  
1212 Main Street  
Houston, Texas 77002  
Telephone: (713) 658-1971  
Telex: 00775118

## **U.K. BUSINESS OFFICE**

Ranger Oil (U.K.) Limited  
Ranger House  
69/71 Great Peter Street  
London SW1P 2BN, England  
Telephone: 01-222-4363  
Telex: 41-919077

## **Opposite Page**

1. PAT GRANT, MALCOLM LAKER (LONDON)
2. GERRY RUSSIN (CALGARY)
3. AL SANDEN (CALGARY)
4. MARY ANN YEE (CALGARY)
5. LEN MOULTON (CALGARY)
6. JOHN ROBINSON, DAVID ATKINS, AL DINGLEY, JOAN DOYLE, SAMAN JAHANSOOZI (LONDON)
7. JUDITH HEWETT (CALGARY)
8. PAULA KING (CALGARY)
9. LESLIE TRELOAR (CALGARY)
10. DAVE PENNER (CALGARY)



