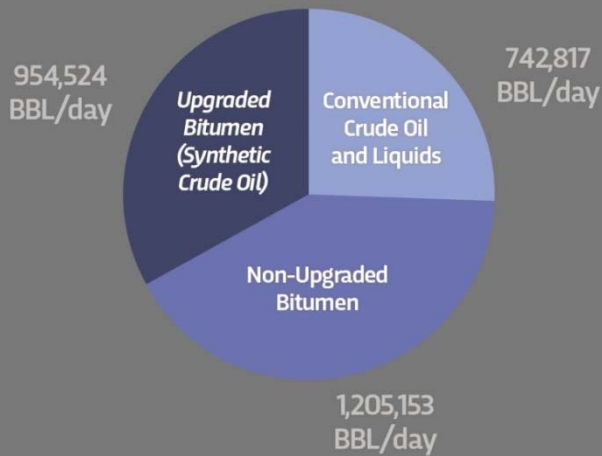




# ALBERTA'S OIL PRODUCTION AND WHERE IT GOES

In 2014, Alberta produced approximately 2.9 million barrels of oil per day.



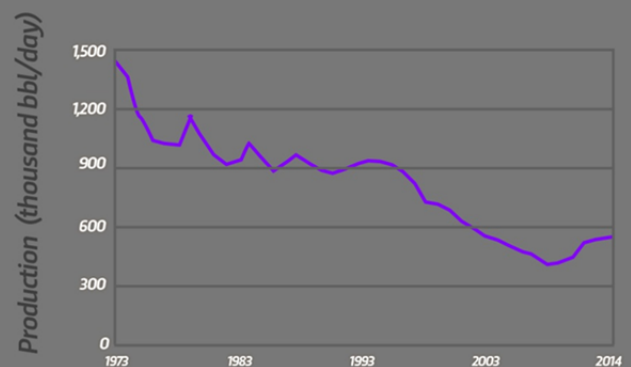
Alberta's oil production has changed over time.

For many decades, conventional crude oil comprised the majority of Alberta's oil production. However, with the exception of the odd blip, Alberta's crude oil production has been steadily declining since 1974. In 2014, Alberta produced on average 590,000 barrels per day of crude oil.

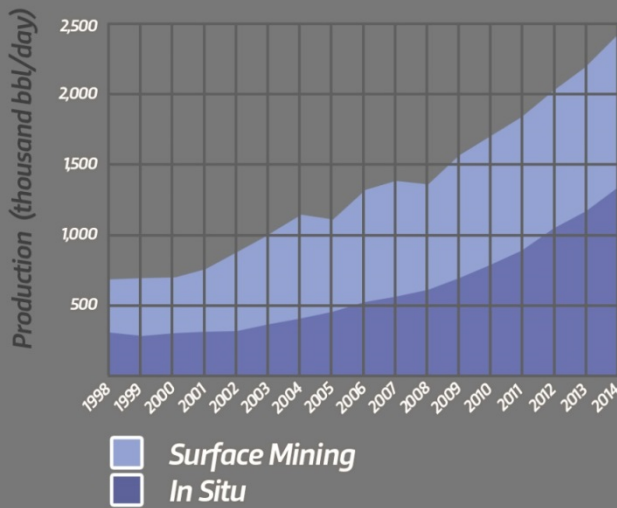
By contrast, production from Alberta's oil sands (i.e., bitumen) has increased over the past few decades. In 2014, Alberta produced roughly 2.2 million barrels per day of bitumen.

In 2014, approximately 15% of Alberta's total oil production (i.e., both crude oil and oil sands-derived oil) was used by refineries within the province. During the same year, 11% of Alberta's oil was delivered to refineries in other parts of Canada, and 74% was exported to U.S. markets. Only 0.1% was exported to other countries.

Average Alberta Daily Crude Oil Production

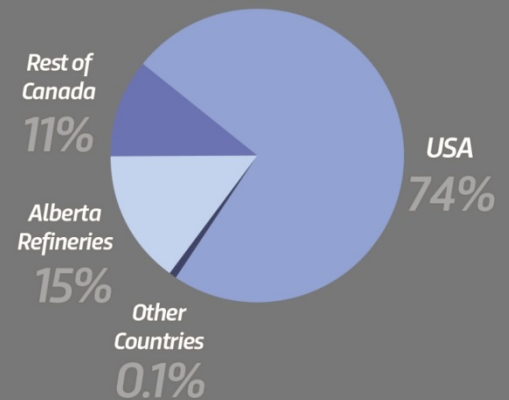


### Alberta Crude Bitumen Production

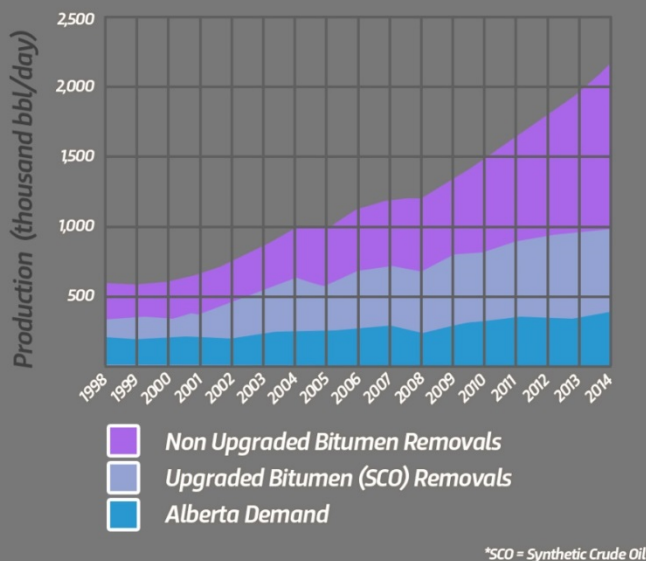


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### Disposition of Alberta Oil Production, 2014



### Alberta Crude Bitumen Production



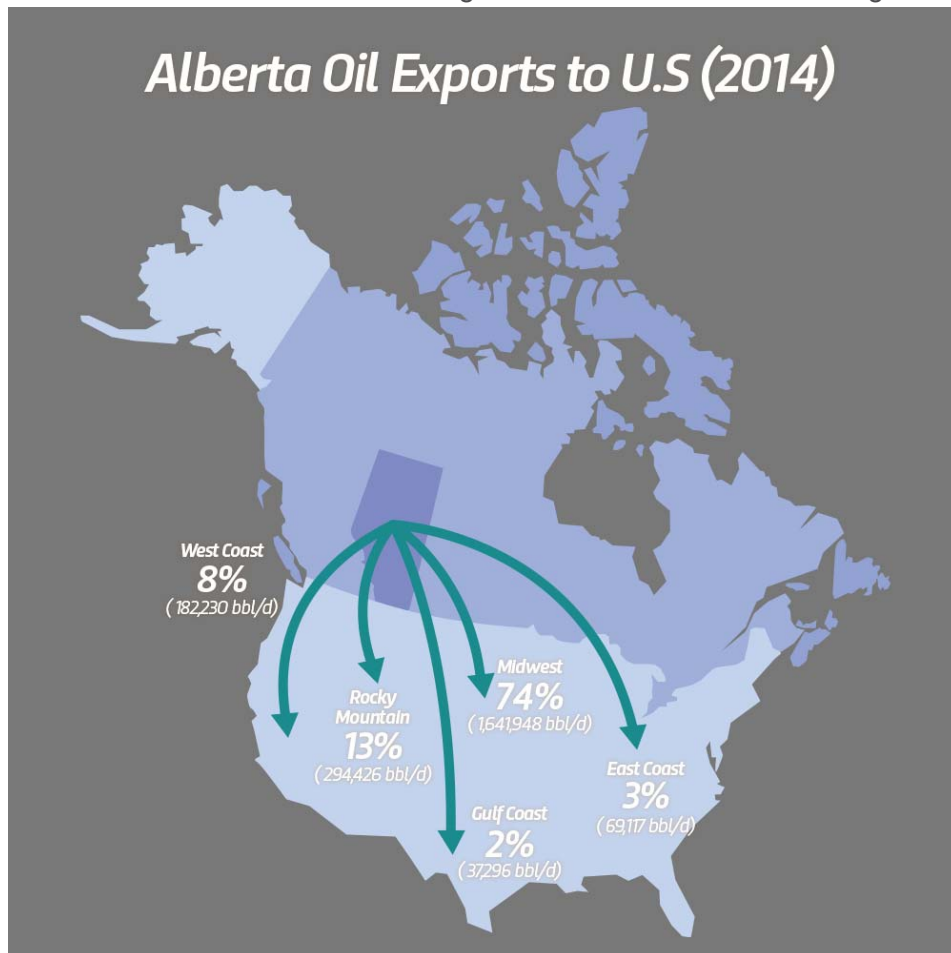
\*SCO = Synthetic Crude Oil

Over time, a growing proportion of Alberta's oil sands production has been exported in the form of non-upgraded bitumen.

One reason for this is that several refinery operators in the U.S. have modified their refineries to accept Alberta bitumen as a feedstock. Many of these refineries are located in the U.S. Midwest. Another reason is that oil from Alberta has begun reaching the large refining hub on the U.S. Gulf Coast.

Almost three-quarters of Alberta's oil exports to the U.S. are still destined for the Midwest re-gion. Smaller amounts are sent to the U.S. Gulf Coast, East Coast, Rocky Mountain and West Coast regions.

Recently, small amounts of Alberta oil have been shipped to new destinations such as Spain, Singapore, Italy and Switzerland, where refiners are interested in testing it in their refineries or obtaining new supply sources.



Source: Alberta Energy; Alberta Energy Regulator; Statistics Canada