

OPERATIONS STATISTICAL REVIEW

Drilling Program

	Three months ended December 31				Year ended December 31			
	2006		2005		2006		2005	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Natural gas	34	12	13	13	181	105	150	148
Oil	50	38	37	34	193	149	119	110
Dry	3	2	4	4	17	16	18	18
Total wells	87	52	54	51	391	270	287	276
Success rate	96%		92%		94%		93%	

Undeveloped Lands

	As at December 31		
	2006	2005	% change
Gross acres (000)	4,176	4,390	(5)
Net acres (000)	3,715	4,142	(10)
Average working interest	89%	94%	(5)

Farm-out Activity

	Year ended December 31	
	2006	2005
Wells drilled on farm-out lands ⁽¹⁾	169	103

⁽¹⁾ Wells drilled on Penn West lands, including re-completions and re-entries, by independent operators pursuant to farm-out agreements.

Core Areas

Core Area	Net wells drilled for the year ended December 31, 2006	Undeveloped land as at December 31, 2006 (thousands of net acres)
Central	89	1,305
Plains	148	1,045
Northern	33	1,365
	270	3,715

Trust Unit Data

(millions of units)	Year ended December 31		
	2006	2005	% change
Weighted average			
Basic	200.8	162.6	23
Diluted	203.5	165.9	23
Outstanding as at December 31			
Basic	237.1	163.3	45
Basic plus trust unit rights	248.4	172.7	44

On June 30, 2006, Penn West issued approximately 70.7 million trust units on the closing of the Petrofund merger.

Reserve Category Splits Under Forecast Prices and Costs

Reserve Estimates Category ⁽¹⁾⁽²⁾	Light and Medium Oil (mmbbl)	Heavy Oil (mmbbl)	Natural Gas (bcf)	NGL (mmbbl)	Barrels of Oil Equivalent (mmboe)
Proved					
Developed producing	146.9	40.9	667.6	17.1	316.2
Developed non-producing	6.6	3.1	46.6	1.0	18.5
Undeveloped	33.4	1.8	43.4	1.5	44.0
Total proved	186.9	45.9	757.6	19.6	378.7
Probable	50.9	14.0	203.2	5.3	104.1
Total proved plus probable	237.8	59.9	960.8	24.9	482.8

(1) Gross interest reserves are before royalty burdens and exclude royalty interests.

(2) Columns may not add due to rounding.

Reconciliation of Gross Interest Reserves

(before royalty burdens and excluding royalty interests) (using forecast prices and costs)

Reconciliation Items ⁽¹⁾	Oil and NGL			Natural Gas			Barrels of Oil Equivalent		
	Proved (mmbbl)	Probable (mmbbl)	Proved plus Probable (mmbbl)	Proved (bcf)	Probable (bcf)	Proved plus Probable (bcf)	Proved (mmboe)	Probable (mmboe)	Proved plus Probable (mmboe)
December 31, 2005	196.3	44.4	240.7	565.1	133.2	698.4	290.5	66.7	357.1
Extensions	2.2	0.3	2.5	18.4	2.6	21.1	5.3	0.8	6.0
Improved recovery	5.6	4.9	10.5	10.4	1.4	11.8	7.3	5.1	12.4
Technical revisions	(3.2)	(2.4)	(5.6)	(4.9)	(15.4)	(20.3)	(4.0)	(5.0)	(9.0)
Discoveries	–	–	–	2.1	2.6	4.7	0.3	0.4	0.8
Acquisitions	72.8	22.9	95.6	278.3	79.3	357.6	119.1	36.1	155.2
Dispositions	(0.4)	(0.1)	(0.5)	(0.7)	(0.7)	(1.4)	(0.5)	(0.2)	(0.7)
Economic factors	0.9	0.2	1.1	0.3	0.1	0.3	1.0	0.2	1.2
Production	(21.7)	–	(21.7)	(111.3)	–	(111.3)	(40.3)	–	(40.3)
December 31, 2006	252.4	70.2	322.6	757.6	203.2	960.8	378.7	104.1	482.8

(1) Columns may not add due to rounding.

Reconciliation of Net Interest Reserves

(after royalty burdens and including royalty interests) (using forecast prices and costs)

Reconciliation Items ⁽¹⁾	Oil and NGL			Natural Gas			Barrels of Oil Equivalent		
	Proved (mmbbl)	Probable (mmbbl)	Proved plus Probable (mmbbl)	Proved (bcf)	Probable (bcf)	Proved plus Probable (bcf)	Proved (mmboe)	Probable (mmboe)	Proved plus Probable (mmboe)
December 31, 2005	177.1	39.4	216.5	462.8	109.8	572.6	254.2	57.7	312.0
Extensions	2.0	0.3	2.2	14.9	2.2	17.1	4.5	0.6	5.1
Improved recovery	3.8	4.5	8.3	8.8	1.5	10.2	5.3	4.7	10.0
Technical revisions	(3.0)	(2.3)	(5.3)	(4.9)	(12.2)	(17.1)	(3.8)	(4.3)	(8.1)
Discoveries	–	–	–	1.6	1.9	3.5	0.3	0.3	0.6
Acquisitions	61.7	19.3	81.0	223.1	64.2	287.3	98.8	30.0	128.9
Dispositions	(0.3)	(0.1)	(0.4)	(0.7)	(0.3)	(1.0)	(0.5)	(0.2)	(0.6)
Economic factors	0.8	0.2	1.0	0.2	0.1	0.3	0.9	0.2	1.1
Production	(18.5)	–	(18.5)	(87.8)	–	(87.8)	(33.1)	–	(33.1)
December 31, 2006	223.6	61.2	284.8	618.0	167.2	785.3	326.6	89.1	415.7

(1) Columns may not add due to rounding.

Total company interest proved plus probable reserves, which are before royalty burdens and include royalty interests, of 486 mmboe at the end of 2006 were 35 percent higher than proved plus probable reserves of 360 mmboe at the end of 2005.

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Net Present Value of Future Net Revenue Under Forecast Prices and Costs

(\$ millions)

Reserve Category	Net present value of future net revenue before income taxes (discounted @)		
	5%	10%	15%
Proved			
Developed producing	\$ 6,568	\$ 5,174	\$ 4,333
Developed non-producing	375	248	186
Undeveloped	784	475	308
Total proved	\$ 7,727	\$ 5,897	\$ 4,826
Probable	1,891	1,152	793
Total proved plus probable	\$ 9,618	\$ 7,049	\$ 5,619

Net present values are net of producing wellbore abandonment liabilities and are based on the price assumptions that are contained in the following table. The estimated future net revenues do not represent fair market value.

Summary of Pricing and Inflation Rate Assumptions as of December 31, 2006 Under Forecast Prices and Costs

Year	Oil				Natural Gas AECO (\$CAD/mcf)	Edmonton Propane (\$CAD/bbl)	Inflation Rate (%)	Exchange Rate (CAD/USD)
	WTI Cushing, Oklahoma (\$US/bbl)	Edmonton Par 40° API (\$CAD/bbl)	Hardisty Heavy 12° API (\$CAD/bbl)	Cromer Medium 29° API (\$CAD/bbl)				
Historical								
2002	26.08	40.33	26.57	35.48	4.04	21.39	2.2	0.637
2003	31.07	43.66	26.26	37.55	6.66	32.14	2.8	0.721
2004	41.38	52.96	29.11	45.75	6.88	34.70	1.8	0.768
2005	56.58	69.11	34.07	56.62	8.58	43.04	2.2	0.825
2006	66.22	73.16	41.87	62.24	7.02	43.97	2.1	0.882
Forecast								
2007	62.00	70.25	39.25	61.25	7.20	45.00	2.0	0.870
2008	60.00	68.00	40.00	59.25	7.45	43.50	2.0	0.870
2009	58.00	65.75	39.75	57.25	7.75	42.00	2.0	0.870
2010	57.00	64.50	39.75	56.00	7.80	41.25	2.0	0.870
2011	57.00	64.50	40.25	56.00	7.85	41.25	2.0	0.870
2012	57.50	65.00	41.50	56.50	8.15	41.50	2.0	0.870
2013	58.50	66.25	42.50	57.75	8.30	42.50	2.0	0.870
2014	59.75	67.75	43.50	59.00	8.50	43.25	2.0	0.870
2015	61.00	69.00	44.25	60.00	8.70	44.25	2.0	0.870
2016	62.25	70.50	45.25	61.25	8.90	45.00	2.0	0.870
2017	63.50	71.75	46.00	62.50	9.10	46.00	2.0	0.870
Thereafter	2%	2%	2%	2%	2%	2%	2.0	0.870

Future Development Costs Under Forecast Prices and Costs (\$ millions)

Year	Proved Future Development Costs
2007	\$ 148
2008	166
2009	98
2010	73
2011	57
2012 and subsequent	176
Undiscounted total	\$ 718
Discounted @ 10%/year	\$ 518