

My name is Darryl Maser. I am general manager of Champion Drilling, a southern Alberta based oil & gas well drilling contractor. Champion Drilling currently owns 41 drilling rigs and 18 rig moving trucks operating mainly in southern Alberta. In total we have approximately \$139 million dollars invested in our equipment. When active, Champion Drilling can put back into Alberta's economy as much as \$4 million dollars a month through purchases of operating supplies from Alberta based suppliers such as welders, truckers, fabricators, etc. Payroll during our busy season can reach upwards of \$3 million dollars during a two-week pay period. At any given time, we employ as many as 700 people, the majority of whom reside and spend this money to support local vendors such as grocery stores, vehicle sales, service and supply providers. Champion Drilling has a long history of contributing to the local community. In 2006 we contributed in excess of \$39,000 via sports and local charitable organizations. In addition, Champion Drilling contributed \$131,500 to the Southern Alberta United Way which in turn supports many local organizations and programs in the community.

The first quarter of 2007 has shown a disappointing utilization rate of 54% and we are currently running at 30% utilization. We feel that any change in the royalty structure that would make it less viable for the oil and gas companies to continue their exploration and drilling programs would have a rippling negative effect on our business and in turn our employees, suppliers and the organizations we support. We feel that the Government of Alberta should be looking at ways to stimulate future growth and keep the oil and gas industry strong, which in turn will keep Alberta's economy strong.

Thank you