

From: Barr, Verne (Calgary)

Sent: Friday, June 29, 2007 7:33 AM

Subject: Follow Up to Questions from Royalty Review Panel

During the question period following Nexen's presentation to the Alberta Royalty Review Panel, Nexen committed to provide the source of a statement included in the presentation. Nexen's presentation indicated on the bottom of slide 8 that "**53% of Alberta's 2004 GDP was derived from the Oil and Gas Industry**". This information was derived from Paper No. 1 of the Alberta Energy Futures Project, dated December 15, 2006. The paper was authored by Robert L. Mansell and Ron Schlenker of the Department of Economic of the University of Calgary and is entitled "Energy and the Alberta Economy: Past and Future Impacts and Implications". The paper includes the statement, "For Example, without the oil and gas industry, provincial GDP would have been only 47 percent of what it actually was in 2004." in the Executive Summary on page iii. Nexen's presentation of the information was reworded to express the same information in the positive view.

If you wish to review this article, it can be found on the internet at <http://www.iseee.ca/images/pdf/ABEnergyFutures-01.pdf>.

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