

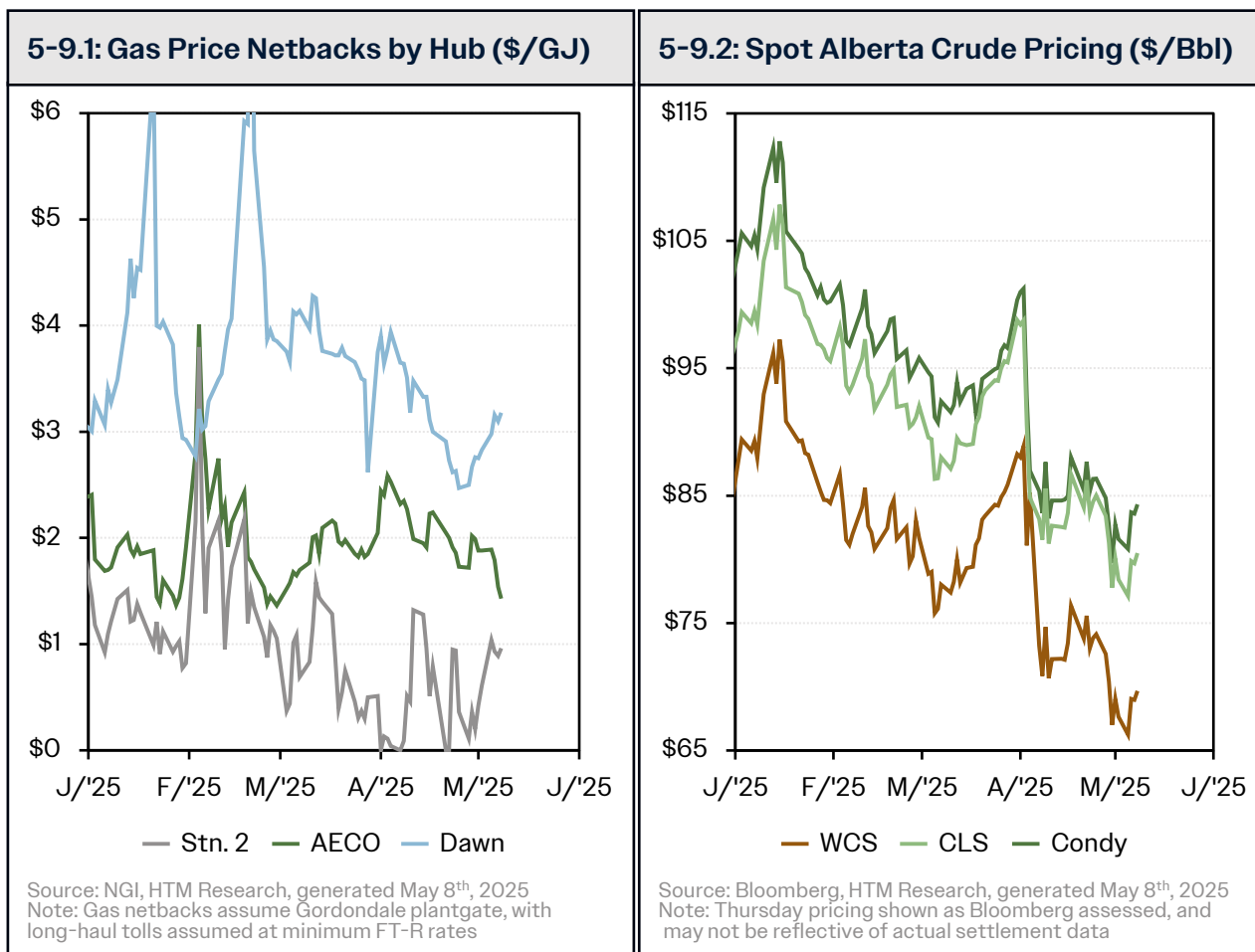
BOE Report Weekly Round-up

May 9th, 2025

Despite a weak commodity price tape; producers have overwhelmingly stuck to their capital plans. While they all “retain the ability to adjust should prices weaken further” – for the most part, we aren’t seeing major changes in trajectory from SMID caps and upwards. Spartan reiterated they are pushing forward with their Duvernay growth; Kelt and NuVista the same in the Montney. We have yet to hear from Logan; though we’d assume it’s more of the same.

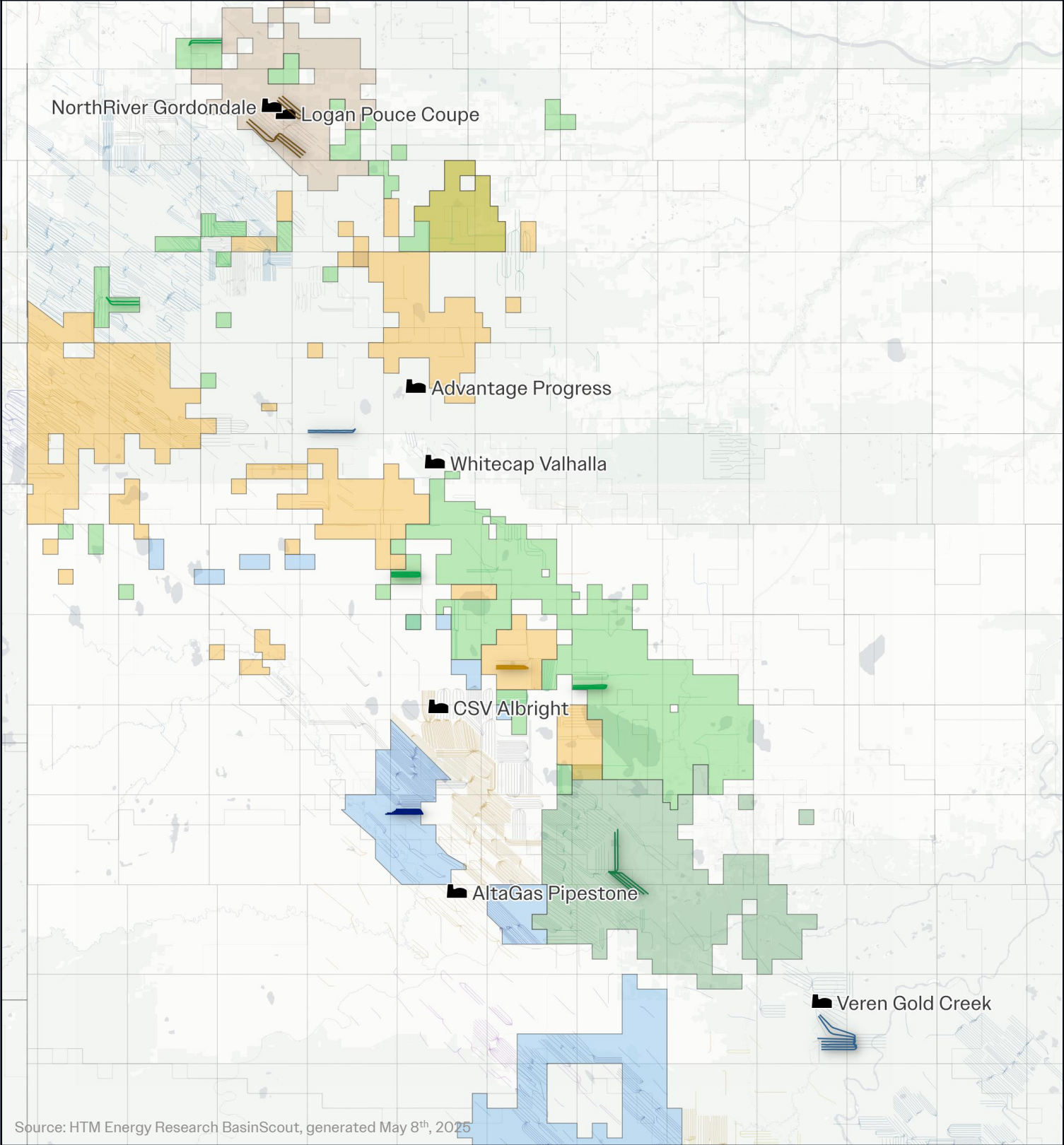
While not necessarily a bad thing; given Canada is blessed with such abundant and high-quality resource; we again (this is a key theme), wonder where the egress is coming from. This year, we’ve learned, Tourmaline “intends to exit the decade at 850,000BOE/d” (that’s +200,000BOE/d), Paramount has another ~100,000BOE/d in the pipeline, Birchcliff is planning to grow Elsworth; Whitecap with another 100,000BOE/d from the Montney – Spartan, NuVista, Coelacanth, Strathcona – everyone has a growth project. Therein lies the problem; we don’t think that the WCSB has settled into its final ‘cost curve state’. There’s still too much good inventory that is served by not enough egress. Everyone thinks they’re on the low end of the cost curve – but that would simply be impossible. We think this means pain for those without a rock-solid growth plan backed by resource with a “moat” (i.e. irreplaceably good rock). Paramount Karr comes to mind; where Oviniv immediately reduced wells costs by \$1MM through improving drilling and casing design – it’s hard to mess up wells where you get back 600-800,000Bbls of condensate.

So, this week, we look at the next tranche of short-term growth from the Alberta Montney, enabled by third party midstream expansion projects. We’ve done it a little differently though – and have integrated our usual commentary/well result data into an interactive map that is accessible embedded into the BOE Report’s website, or [via this link](#). For those unable to access the map, we’ve included a simple static version on the next page.



Below we show key gas processing plants that are slated to come on-stream in the next 24 months; along with operator activity ramping into these facility expansion projects.

5-9.3: Recent/Upcoming Raw Gas Processing Plants



Source: HTM Energy Research BasinScout, generated May 8th, 2025

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