



GHG TARGET

We have set a target to reduce our corporate GHG emission intensity (tonnes of CO₂ per boe) by **30%** by 2021. This equates to approximately a **10%** year-over-year reduction.

GHG Reduction Target

We have set a target to reduce our corporate GHG emission intensity (tonnes of CO₂ per boe) by 30% by 2021. This equates to approximately a 10% year-over-year reduction. The baseline year will be 2018, incorporating full year emissions for both companies.

Our emissions profile changed significantly following the merger with Raging River. We expect to reduce the emission intensity of our Viking assets by approximately 50% within three years, using 2018 as a baseline.

As part of our culture of continual improvement, we are committed to reducing the GHG emissions from our operations. We will continue our current gas conservation strategies in the Peace River region. In Saskatchewan, we will explore both conventional and unconventional technologies to reduce GHGs in the most cost-effective manner.

Viking Gas Conservation Project

Our first step towards emission reductions will be to reduce venting in Saskatchewan. For the vast majority of locations in this province, conservation of vented gas is not viable at this time. Therefore, we will initially substitute venting with flaring. Flaring releases carbon dioxide rather than methane, which lowers the atmospheric impact by 25 times. In 2019, we are running trials of combustion equipment to compare best technology, costs and reductions.

Multi-well Pad Site Development

Extended reach horizontal drilling and multi-well drilling technologies have allowed us to access resources that were previously considered uneconomical, while also providing environmental benefits. We are now drilling longer horizontal distances, from wells that were typically a half-mile in length in 2016 to wells now averaging one mile. More than 80% of the wells we currently drill in the Viking region are considered extended reach horizontal wells. In addition to extended reach, we are increasing the number of wells drilled per pad (from two wells per multi-well pad up to eight).

Combining the use of these two technologies results in fewer disruptions to landowners, less land disturbance and fewer access roads. Multi-well pads will also contribute to our GHG reduction strategy by increasing the volume of gas coming out of a single pad, and making gas conservation technically and economically viable for more of our Viking wells. By gathering gas from several wells, we can start using strategies that are currently not feasible, including gas sales and electricity production.

