

Oil and Gas in Saskatchewan

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Saskatchewan accounts for approximately 33% of Canada's primary energy including oil, gas, coal, and uranium. Approximately 17% of Canadian total oil production is from Saskatchewan, making the province the second-largest producer of crude oil in the country. The province is also Canada's the third-largest producer of natural gas.

In 2009, Saskatchewan's oil and gas sales were approximately \$9.6 billion. In the same year, the oil and gas industry invested approximately \$2.1 billion in the province, and provided employment (both direct and indirect) for over 27,000 people. During the 2009-10 fiscal year, the oil and gas industry generated approximately \$1.5 billion in revenue for the Government of Saskatchewan, representing roughly 17 % of the provincial government's total revenues.

At present, approximately 71,000 wells (roughly 44,000 oil and 27,000 gas) are capable of production in Saskatchewan. This number will continue to grow as exploration and development of Saskatchewan's hydrocarbon resources is taking place throughout much of the Phanerozoic strata in all four corners of the province, and is fueling economic growth for the province as a whole. Sustained oil prices, coupled with improved technologies such as hydraulic fracturing techniques within horizontal wells, along with an attractive fiscal regime that includes drilling incentives for horizontal oil wells, has continued to attract industry to Saskatchewan's oil patch. There are currently around 300 oil and gas companies operating within the province. Some of the current 'hot plays' in Saskatchewan include:

- the Viking light oil play of the west central Saskatchewan;
- the Shaunavon medium crude play of southwest Saskatchewan;
- the Bakken light oil play of southeast Saskatchewan, which is the largest conventional oil play to be identified in all of Western Canada and has been referred to the hottest oil play in North America, and;
- the Birdbear heavy oil play in west-central Saskatchewan.

It is currently estimated that Saskatchewan has more than 45 billion barrels of oil in place. However, to date, only 13% of this oil is considered to be commercially recoverable, being partly due to the limitations of present day technology, leaving 39 billion barrels currently unrecoverable. Ongoing research continues to develop new ideas and refine technologies for enhanced oil recovery (EOR) techniques. Ventures such as the CO₂ sequestration projects in the Weyburn and Midale Fields, are taking steps to increase the amount of oil recovered, while at the same time reducing anthropogenic CO₂. The Weyburn Field, operated by Cenovus Energy, is the world's largest anthropogenic CO₂ storage site, with over 16 million tonnes currently stored, and a further 13,000 tonnes per day continuing to be injected.