

ARC's holdings  
in Pembina cover  
an extensive area with

**VARIABLE  
GEOLOGY,**  
which adds  
complexity  
to our efforts to  
economically  
access the  
**LARGE OIL  
RESOURCE.**

Most of the  
property is under a

**WATERFLOOD**

that enhances recovery. The  
application of horizontal  
drilling and multi-stage  
fracturing has produced  
great results. We will  
continue this strategy into  
2011 with plans to more  
than double our use of

**HORIZONTAL WELLS  
AND MULTI-STAGE  
COMPLETION  
TECHNOLOGY.**

