



**Crescent Point Energy Trust**



**PRESS RELEASE**

**INDEPENDENT BOARDS OF CRESCENT POINT ENERGY TRUST AND  
MISSION OIL & GAS INC. CONFIRM PREVIOUSLY ANNOUNCED  
MERGER: MISSION MAILS INFORMATION CIRCULAR AND  
CONFIRMS MEETING DATE**

January 12, 2007. CALGARY, ALBERTA. Crescent Point Energy Trust ("Crescent Point" or the "Trust") (TSX: CPG.UN) and Mission Oil & Gas Inc. ("Mission") (TSX: MSO) are pleased to announce that the Independent Committee of Crescent Point's Board of Directors and the independent members of Mission's Board of Directors have each confirmed the previously announced Revised Plan of Arrangement (the "Plan") under which all of Mission's issued and outstanding shares will be exchanged for trust units of Crescent Point and cash.

Mission has obtained an interim order of the Court of Queen's Bench of Alberta providing for, among other things, the holding of a Special Meeting on February 8, 2007 of the common shareholders of Mission ("Mission Shareholders") to approve the Plan. A management information circular and proxy statement dated January 10, 2007 has been mailed to Mission Shareholders in regards to the Special Meeting, a copy of which may be viewed electronically under Mission's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**CONFIRMATION OF PLAN**

Under the terms of the Plan, each issued and outstanding common share of Mission will be exchanged for 0.695 trust units of Crescent Point plus cash in the amount of \$0.78. The Plan requires the requisite approval of Mission shareholders along with customary regulatory, court and other approvals.

On October 31, 2006, the federal Minister of Finance announced proposed changes to the *Income Tax Act* (Canada) affecting the taxation of income trusts, such as Crescent Point, and their unitholders (the "Proposals"). On December 15, 2006, the Minister of Finance announced guidelines (the "Guidelines") regarding the application of the Proposals.

The Independent Committee of the Board of Directors of Crescent Point and the independent members of the Board of Directors of Mission have reviewed the Proposals and the Guidelines and determined that the Plan is, in the case of Crescent Point, in the best interests of Crescent Point and its unitholders, and, in the case of Mission, in the best interests of Mission and its shareholders. GMP Securities L.P. has provided the Board of Directors of Mission with its opinion that the consideration to be received by Mission Shareholders under the Plan is fair, from a financial point of view.

The Plan is expected to be implemented on or about February 9, 2007, allowing shareholders of Mission who receive units of the Trust pursuant to the Plan to receive the February distribution on the Trust Units payable March 15, 2007, which distribution is expected to be \$0.20 per Trust Unit.

## **MISSION SHAREHOLDER MEETING**

A Special Meeting of the common shareholders of Mission will be held in respect of the Plan in the Strand/Tivoli Room at the Metropolitan Centre, 333 – 4<sup>th</sup> Avenue S.W., Calgary, Alberta, on Thursday, February 8, 2007 at 9:00 a.m. (Calgary time).

## **OPERATIONS UPDATE AND PRODUCTION GUIDANCE**

Since the merger announcement on September 11, 2006, both Crescent Point and Mission have continued to actively and successfully implement their respective capital programs.

Mission has focused on the aggressive development program of the Bakken light oil play in southeast Saskatchewan. Mission spent an estimated \$45 million in the fourth quarter of 2006, with all expenditures approved by Crescent Point, in accordance with the Arrangement Agreement entered into by Crescent Point and Mission. Capital activities since the merger announcement included the start-up of the Viewfield gas plant, a five-rig development drilling program, and the completion of an extensive and successful fracture stimulation program that concluded in early November. Mission estimates its capital expenditures, excluding acquisitions, for 2006 are \$145 million, which is approximately \$18 million higher than budgeted due primarily to a greater number of wells being drilled in the Bakken play than originally forecast. As a result, Mission's year end net debt is forecast to be approximately \$42 million.

In the fourth quarter of 2006, Mission participated in the drilling of 35 gross (21.5 net) wells with a 100 percent success rate. Mission also operated the fracture stimulation of 19 Bakken horizontal wells during the quarter as a continuation of an extensive stimulation program that began in July and, as a result, the majority of the Bakken horizontal wells drilled to the end of October 2006 have been fracture stimulated.

Based on the Bakken play drilling results to the end of 2006, the internal engineering estimate of Mission's expected corporate 2006 year end proven plus probable reserves is approximately 25 million boe, utilizing NI 51-101 reserve definitions. The internal engineering estimate assumes the requirement of an estimated \$160 million of capital investment over the next 2 to 3 years to move the proven plus probable reserves into the proved producing category.

Crescent Point's capital program continued to focus on major projects at the Trust's core areas of Manor, Tatagwa, Glen Ewen, Battrum and Cantuar.

Crescent Point participated in the drilling of 30 (15.2 net) oil wells at Cantuar and Battrum with a 100 percent success rate in the third and fourth quarters with production being tied in during the fourth quarter. Results to date since acquiring these properties in January 2006 have been better than anticipated. Three 75 metre infill horizontal wells were drilled at Manor, with excellent results. The wells encountered virgin reservoir, indicating the oil in-place has not been effectively drained by the existing wells. Current recovery in the field is only 11 percent, with analog pools recovering 25 percent. The Tatagwa waterflood project continues to perform as anticipated, with the field exhibiting a flat production profile over the past 20 months. The results in these areas should be reflected in strong reserve additions for year end. Additional waterflood expansion and infill drilling opportunities in the Tatagwa field will be pursued in 2007. Infill drilling at Glen Ewen began in December and commissioning of the 3 mmcf/d Glen Ewen gas plant is expected to occur by February 2007 as anticipated.

During 2007, the Trust, along with all southeast Saskatchewan producers, expects to be challenged by pipeline capacity issues in the area, which is the core operating area for Crescent Point and Mission. Growing production volumes in the area and incremental imports from other areas have exceeded the capacity of the area's major oil gathering system, Enbridge Pipelines (Saskatchewan). This capacity shortfall resulted in production curtailments for producers in the area during the fourth quarter of 2006. Crescent Point and Mission worked together diligently in efforts to keep wells of both companies producing through the fourth quarter. Efforts to maintain crude sales, however, have led to incremental trucking costs in the quarter for both Crescent Point and Mission.

To allocate limited capacity until pipeline expansion plans are completed by the end of the fourth quarter of 2007, Enbridge Pipelines (Saskatchewan) has adopted new procedures that will restrict producers to historical throughput and will not allow incremental volumes over and above historical levels until additional capacity is available. Crescent Point believes that with the flexibility of combined Crescent Point and Mission southeast Saskatchewan operations and diverse crude oil sales opportunities that will arise from the Plan, the Trust will be able to manage constraints without significant impact on pro forma production expectations for 2007.

With better than anticipated results from the expanded 2006 Bakken capital program, Mission expects to have exited 2006 with a "flush" production rate of approximately 7,000 boe/d based on field receipts. Based on Crescent Point's 2007 budgeted capital program for the Bakken area (\$70 million), Crescent Point estimates sustainable average production for the Mission assets is more than 6,000 boe/d.

Consistent with its strategy of acquiring and developing high quality, long life oil and gas assets to underpin long-term distributions, Crescent Point's long-term plans for the Bakken play seek to allocate capital in a manner that creates a sustainable production level over the long term rather than higher peak production levels with associated higher decline rates.

With development capital program success in the fourth quarter, combined Crescent Point and Mission "flush" production currently exceeds the 26,500 boe/d production guidance announced at the time of the September 11, 2006, merger announcement. However, due to the delayed timing of the anticipated closing from the original announcement (to February 9, 2007 from December 1, 2006) Crescent Point's pro forma average production guidance for 2007 is now 26,250 boe/d to reflect the partial year contribution of the Mission assets.

## **2007 PRO FORMA GUIDANCE**

The Plan is consistent with Crescent Point's integrated business strategy of acquiring, exploiting and developing high quality, long life light and medium oil and natural gas properties. With the completion of the Plan, Crescent Point's high quality reserve base will be strengthened by exposure to the high netback, liquids rich, long life Bakken light sweet oil play. Pro forma with Mission, the Trust will have access to a resource base of over 2.5 billion barrels of original oil in place. The addition of Mission's operated Bakken property, which is adjacent to Crescent Point's Innes and Stoughton properties, improves the Trust's sustainability and low risk drilling inventory. Crescent Point expects to have the drilling inventory in place to maintain production for more than 6 years and the potential to double its proved plus probable light oil reserves over the next 3 to 5 years.

A combination of Crescent Point's strong balance sheet and cash flow base, large development drilling inventory and aggressive three year hedging program has positioned the Trust to remain strong and protected through a potentially weaker commodity price environment in 2007. Crescent Point's 12-month debt to cash flow is forecast at less than 1.0 times, more than \$260 million is available on its bank line and the Trust has no convertible debentures. The Trust is 52% and 42% hedged in 2007 and 2008, respectively, at minimum hedge levels above C\$70 per barrel. The first three quarters of 2009 are 23%

hedged at prices approaching C\$75 per barrel. Crescent Point's strong balance sheet and hedge position, focused high netback production and cash flow base, and large low risk development inventory positions the Trust as one of the most sustainable trusts in the industry.

Based on the anticipated February 9, 2007 closing of the Plan, the Trust's projections for 2007 remain unchanged except for adjustments to reflect the partial year inclusion of the Mission assets and are as follows:

Production	
Oil and NGL (bbls/d)	22,416
Gas (mcf/d)	23,000
<b>Total (boe/d)</b>	<b>26,250</b>
Cash Flow (\$000)	308,000
Cash flow per unit – diluted (\$)	3.04
Cash distributions per unit (\$)	2.40
Payout Ratio – per unit diluted (%)	79
Capital expenditures (\$000)	150,000
Wells drilled, net	110
Pricing	
Crude oil - WTI (US\$/bbl)	60.00
Crude oil – WTI (Cdn\$/bbl)	67.42
Natural gas (Cdn \$/mcf)	7.50
Exchange rate (US\$/Cdn\$)	0.89

(1) The projection of capital expenditures excludes acquisitions, which are separately considered and evaluated

## FORWARD LOOKING STATEMENTS

Certain statements contained in this press release may constitute forward looking statements, including expectations of future production, cash flow and earnings, and forward-looking statements concerning the implementation and potential impact of the Proposals. All forward-looking statements are based on certain beliefs and assumptions by Crescent Point and Mission based on information available at the time the assumption was made. The forward-looking statements relating to the Proposals are based on certain assumptions by Crescent Point and Mission, made as at the date of this press release, as to the likelihood of the Proposals being implemented, the means by which the Proposals will be implemented, the form that the legislation giving effect to the Proposals might take and the likely effect of the Proposals on the taxation of Crescent Point and its unitholders. There is no certainty that the Proposals will be enacted in the form proposed or at all. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward looking statements. By its nature, such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking statements. These risks include, but are not limited to: the risks associated with the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price, price and exchange rate fluctuations, changes in legislation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Although Crescent Point and Mission believe that the assumptions on which the forward-looking statements are based are reasonable,

undue reliance should not be placed on the forward-looking statements because neither Crescent Point nor Mission can give any assurance that the assumptions on which they are based, or the forward-looking statements themselves, will prove to be correct. As a result, neither Crescent Point nor Mission can provide any assurances as to the future accuracy of the forward-looking statements. In addition, the forward-looking statements contained in this press release are made as of the date hereof and neither Crescent Point nor Mission undertakes any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

This news release is not for dissemination in the United States or to any United States news services. The trust units of Crescent Point and the shares of Mission have not and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States or to any U.S. person except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

**CRESCENT POINT ENERGY TRUST**

Scott Saxberg,  
President and Chief Executive Officer

**MISSION OIL & GAS INC.**

Trent J. Yanko,  
President and Chief Executive Officer

**FOR FURTHER INFORMATION ON CRESCENT POINT ENERGY TRUST OR MISSION OIL & GAS INC. PLEASE CONTACT:**

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