

HIGHLIGHTS

- Increased production by 43% over the second quarter of 2008 to average 13,466 boe per day;
- Production per share increased by 13% over the second quarter of 2008;
- Funds from operations improved by 21% over the first quarter of 2009 to \$20.0 million;
- Closed a \$43.4 million equity financing and non-core property dispositions for net proceeds of \$23.7 million;
- Net debt decreased by \$73.1 million to \$182.4 million from \$255.4 million at the end of 2008;
- Subsequent to quarter end, Crew has added six additional 100% owned sections, to control a total of 190 net sections, on the Company's Montney play in northeastern British Columbia;
- Crew has signed an agreement creating a strategic alliance with Aux Sable Canada regarding the construction and operation of the Septimus gas plant. Following completion of the plant in the fourth quarter of 2009, Crew will recoup its estimated \$22.5 million capital cost and significantly reduce operating costs in the area from current levels.

FINANCIAL <i>(\$ thousands, except per share amounts)</i>	Three months ended		Six months ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Petroleum and natural gas sales	39,331	60,316	85,673	111,705
Funds from operations ⁽¹⁾	20,036	34,102	36,557	63,140
Per share - basic	0.27	0.60	0.51	1.14
- diluted	0.27	0.58	0.51	1.12
Net income (loss)	(12,267)	5,415	(21,285)	6,356
Per share - basic	(0.17)	0.09	(0.29)	0.11
- diluted	(0.17)	0.09	(0.29)	0.11
Exploration and development investment	14,187	22,564	37,865	71,666
Property acquisitions (net of dispositions)	(23,688)	63,110	(34,378)	71,756
Net capital expenditures	(9,501)	85,674	3,487	143,422
CAPITAL STRUCTURE <i>(\$ thousands)</i>			As at	As at
Working capital deficiency ⁽²⁾			June 30, 2009	Dec. 31, 2008
Bank loan			7,430	31,822
Net debt			174,928	223,628
Bank facility			182,358	255,450
Common Shares Outstanding <i>(thousands)</i>			265,000	285,000
			78,084	71,084

Notes:

(1) Funds from operations is calculated as cash provided by operating activities, adding the change in non-cash working capital, asset retirement expenditures and the transportation liability charge. Funds from operations is used to analyze the Company's operating performance and leverage. Funds from operations does not have a standardized measure prescribed by Canadian Generally Accepted Accounting Principles and therefore may not be comparable with the calculations of similar measures for other companies.

(2) Working capital deficiency includes only accounts receivable less accounts payable and accrued liabilities.

OPERATIONS	Three months ended		Six months ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Daily production				
Natural gas (mcf/d)	54,036	45,599	56,773	48,653
Oil (bbl/d)	3,254	531	3,483	458
Natural gas liquids (bbl/d)	1,206	1,314	1,295	1,463
Oil equivalent (boe/d @ 6:1)	13,466	9,445	14,240	10,030
Per million diluted shares	183	162	197	178
Average prices ⁽¹⁾				
Natural gas (\$/mcf)	3.66	10.60	4.41	9.32
Oil (\$/bbl)	60.75	120.17	51.52	110.19
Natural gas liquids (\$/bbl)	30.46	77.83	33.42	70.53
Oil equivalent (\$/boe)	32.10	70.18	33.24	61.19
Operating expenses				
Natural gas (\$/mcf)	1.91	1.27	1.81	1.22
Oil (\$/bbl)	13.44	9.07	9.17	8.91
Natural gas liquids (\$/bbl)	9.81	7.00	11.98	6.27
Oil equivalent (\$/boe @ 6:1)	11.79	7.60	10.96	7.23
Netback				
Operating netback (\$/boe) ⁽²⁾	17.89	42.44	16.16	37.47
Realized gain on financial instruments ⁽³⁾	(0.56)	—	(0.20)	—
G&A (\$/boe)	1.15	1.14	1.14	1.11
Interest and other (\$/boe)	0.95	1.61	1.03	1.78
Funds from operations (\$/boe)	16.35	39.69	14.19	34.58
Drilling Activity				
Gross wells	1	7	8	19
Working interest wells	1.0	7.0	2.8	16.8
Success rate, net wells	100%	86%	94%	94%

Notes:

(1) Average prices are before deduction of transportation costs and do not include realized gains and losses on financial instruments.

(2) Operating netback equals petroleum and natural gas sales including realized hedging gains and losses on commodity contracts less royalties, operating costs and transportation costs calculated on a boe basis. Operating netback and funds from operations netback do not have a standardized measure prescribed by Canadian Generally Accepted Accounting Principles and therefore may not be comparable with the calculations of similar measures for other companies.

(3) Amount includes realized gains and losses on non-commodity financial instruments.

OVERVIEW

Operations during the second quarter of 2009 were highlighted by the commencement of construction of the Company's 25 mmcf per day Septimus, British Columbia gas plant and associated infrastructure. This accounted for \$5.4 million or 38% of the quarter's capital program. Crew was active completing and working over existing wells during the second quarter, spending \$1.5 million. A recompletion and workover program at Princess, Alberta was very successful adding oil production at under \$5,000 per producing barrel.

Second quarter production of 13,466 boe per day was up 42% compared to the same period in 2008 and was down compared to the first quarter 2009 production as a result of asset sales of 670 boe per day, production declines, production curtailments and third party facility turnarounds. Second quarter commodity prices were

substantially lower than the same period of 2008. Crew's wellhead natural gas price averaged \$3.66 per mcf which was 65% lower than the second quarter of 2008 price of \$10.60 per mcf. The Company's realized oil price was down 49% from \$120.17 per barrel in the second quarter of 2008 to \$60.75 per barrel in the same period in 2009. Crew's natural gas liquids price was \$77.83 per barrel in the second quarter of 2008 and fell 61% to \$30.46 per barrel in the second quarter of 2009. As outlined below, Crew has entered into a number of commodity and foreign exchange transactions in an effort to reduce the potential impact of continued weak commodity pricing in 2009 and 2010.

The Company was able to significantly strengthen its balance sheet over the quarter. On May 28, 2009, Crew closed a \$43.4 million bought deal financing issuing seven million shares at \$6.20 per share and on May 31, 2009, Crew closed the disposition of 540 boe per day of production for proceeds of \$22.5 million. Funds from operations exceeded capital expenditures by approximately \$6 million which further reduced the Company's net debt.

RISK MANAGEMENT ACTIVITY

During the second quarter Crew entered into additional commodity price hedging contracts in order to protect corporate funds flow from operations in 2009 and 2010. Crew now has an average of 22,500 gigajoules ("gj") per day of natural gas hedged at an average floor price of \$5.78 per gj for the second half of 2009. The Company has also hedged 1,250 boe per day of oil at an average West Texas Intermediate ("WTI") price of CDN \$77.58.

Looking forward to 2010, Crew has entered into fixed price gas contracts for an average of 14,200 gj per day at an average \$6.02 per gj for calendar 2010. The Company has hedged oil production for 2010 with fixed price contracts for 500 bbl per day at an average of CDN \$80.50 WTI per bbl and a collar on 500 bbl per day with a floor of CDN \$72 WTI per bbl and a ceiling of CDN \$88 WTI per bbl. Crew plans to continue to engage in a base level of hedging activity to protect future capital programs and maintain financial flexibility.

Currently all of Crew's production is sold in Canadian markets and denominated in Canadian dollars. Canadian commodities trade independently of US commodities; however, prices in Canada are closely correlated with prices in the US and are impacted by fluctuations in the exchange rate between the Canadian and US dollar. When the Canadian dollar strengthens in relation to the US dollar we generally experience a decrease in Canadian commodity prices in comparison to US commodity prices. As a result, Crew has fixed the exchange rate on US \$4 million per month at 1.2400 for the remainder of 2009. For 2010 the Company has fixed the exchange rate on US \$2 million per month at 1.094.

As a result of the current economic downturn and the decrease in central banks' prime lending rates, the interest rates charged on banker's acceptances are at levels not seen in decades. In order to reduce the risk of a future increase in the interest rate charged on banker's acceptances, the Company has entered into contracts fixing the rate on \$150 million of banker's acceptances for two year periods ending in 2011 at an average rate of 1.106% plus the applicable stamping fee charged by the Company's banking syndicate.

OPERATIONS UPDATE

During the quarter, the Company drilled one (1.0 net) water disposal well and completed one (1.0 net) well. The Company also recompleted and performed workovers on a number of wells targeting oil projects at Princess, Alberta. Capital spending was focused at Septimus, British Columbia with the construction of the Septimus gas plant and pipeline infrastructure. With oil prices recovering and gas prices still depressed, Crew plans to pursue oil development at Princess and Killam, Alberta with six wells targeting oil in the second half of 2009. The Company will focus on operating cost control and reduction initiatives in all areas of operations, production optimization, the drilling of oil wells at Princess, Alberta and liquids rich natural gas wells at Septimus, British Columbia.

Montney Play, Northeast British Columbia

Crew controls 190 net sections on the Montney play in northeast British Columbia. Subsequent to quarter end, the Company completed a property swap acquiring four additional sections at Septimus and purchased two sections at a British Columbia Crown land sale. Crew has an estimated productive capacity of over 14 mmcf per day from six wells at Septimus and is currently producing approximately four mmcf per day on a restricted basis until the Septimus gas plant is operational in the fall of 2009.

Crew has commenced drilling operations at Septimus, and is currently drilling the A9-3 well. During the remainder of 2009, plans are to drill three and complete five liquids rich natural gas horizontal wells at Septimus and one vertical exploration well on the Company's Portage exploration block. The Company plans to continue to develop the net 2.4 TCF of Discovered Petroleum in Place ("DPIP") that has been assigned by an independent evaluation to the 50 section Septimus block and drill additional step out wells to add reserves and production. The details of Crew's DPIP evaluation were set forth in its March 9, 2009 press release.

Crew is very pleased to announce an agreement has been reached with Aux Sable Canada to form a strategic alliance at Septimus, British Columbia. Aux Sable Canada ("ASC") is a limited partnership controlled equally by Enbridge Corp. and Fort Chicago Energy Partners. ASC's affiliate, Aux Sable Liquids Products, owns and operates a world-scale natural gas liquids extraction and fractionation facility near Chicago at the terminus of the Alliance pipeline. The agreement calls for Crew to sell the Septimus gas plant to ASC when the plant becomes operational in the fall of 2009 at the cost of construction which is expected to be approximately \$22.5 million. Crew will continue to operate the facility and will pay ASC capital throughput fees.

The following are transaction rationale and benefits of the strategic alliance:

- Crew is able to recoup its gas plant construction costs estimated to be \$22.5 million in order to redeploy this capital into production additions through acquisitions or an expanded drilling program.
- Crew has the option to either:
 - Re-purchase a 50% interest in the facility prior to any expansion based on the original construction cost incorporating a recapture of a portion of the tolls paid; or,
 - Prior to January 1, 2013, double the capacity of the facility at Crew's expense to acquire a 50% interest in the expanded facility.
- Significantly reduce operating costs from the current \$12 per boe. Costs will be further reduced should Crew exercise its option to acquire an equity ownership position.
- Maintain operatorship of the facility throughout the term of the agreement with priority access to processing capacity.
- ASC will construct and operate a 12 mile, rich gas pipeline from the Septimus plant to the Alliance pipeline. Crew has an option to participate as to a 50% working interest with ASC in the pipeline. The ability to deliver gas and liquids to Chicago provides increased access to export markets as well as processing and transportation alternatives for British Columbia natural gas and liquids.
- Initial plans for the next two years are to tie-in to the Alliance pipeline and expand throughput of the facility to 50 mmcf per day allowing Crew and ASC to continue growth objectives in the greater Septimus area.

On August 6, 2009, the British Columbia Ministry of Energy, Mines and Petroleum Resources announced an energy investment stimulus package. Details of the stimulus package are forthcoming; however the royalty incentives included in the package are:

- A one-year, two percent royalty rate for all wells drilled in a ten month window from September 2009 to June 2010;

- An increase of 15 percent in the existing royalty deductions for natural gas deep drilling;
- Qualification of horizontal wells drilled between 1,900 and 2,300 meters into the Deep Royalty Credit Program;
- An additional \$50 million allocation for the Infrastructure Royalty Credit Program to be offered this fall to stimulate investment in oil and gas roads and pipelines.

Crew's Montney drilling program over the ten month window will benefit from all of the proposed changes enhancing the economics of the Company's drilling program in British Columbia.

Pekisko Play, Princess Alberta

During the second quarter, Crew was very active recompleting and performing workovers on oil wells at Princess, Alberta. Production additions as a result of the workover program were accomplished at a very attractive \$5,000 per producing barrel. Most importantly, the Company's 8-8 horizontal test well has now produced over 80,000 barrels of oil and is currently producing 254 barrels of oil per day helping to validate the Company's development scheme for this large resource project. Current production at Princess is 3,200 boe per day, a 45% increase since the property was acquired in August 2008. This is down from a peak of over 3,500 boe per day as a result of natural declines and a number of wells now being on maximum rate limitations ("MRL") as they await approval of Good Production Practice ("GPP") applications.

The Company's fourth quarter 2008 water disposal well received approval and became operational on June 17, 2009 and is now disposing of 2,000 barrels of produced water per day saving the Company approximately \$150,000 per month in trucking and disposal costs. The Company has drilled a second disposal well that has recently been tested at a rate of 9,000 barrels per day. An application for disposal well status has been submitted to the ERCB with approvals and activation of the well expected by year end. Crew has plans to drill two additional disposal wells in the third quarter of 2009. These initiatives are expected to further improve the Company's operations and cost structure in this area.

Crew plans an active second half of the year at Princess as the Company concentrates on the attractive economics associated with its oil plays. The Company is currently drilling its second horizontal well and plans to drill a minimum of three horizontal oil wells in the second half of 2009 and continue its workover and recompletion program in the area.

OUTLOOK

Business Environment

North American natural gas prices continue to be weak as supply continues to outweigh demand. The response by industry has been to significantly reduce activity levels and defer production. This has not prevented a steady build in gas storage levels in an environment of reduced gas demand. We believe gas prices will recover in 2010 and remain committed to our long-term strategy of finding and developing large resources at low costs.

The current gas price environment has rendered some of Crew's properties marginally cash flow positive to slightly cash flow negative. As a result we have elected to defer production from these properties until the economics of producing them improve. As such, the Company has shut-in as much as 950 boe per day of production during July and currently has 400 boe per day of production shut-in. We will continue to monitor economics on all properties and may shut-in additional production volumes should natural gas prices decline from current levels. In addition, Crew has elected to defer tie-in or production of approximately 1,900 boe per day, most of which is located at Septimus, British Columbia awaiting better economic returns and the start up of the Septimus gas plant. As a result of these production curtailments forecasted average 2009 production has been revised to 13,500 to 13,800 boe per day. Once oil wells at Princess and Killam are drilled and placed on production and the Septimus gas plant becomes operational, production is expected to ramp up resulting in an exit production rate of 14,500 to 15,000 boe per day.

Balance Sheet Significantly Strengthened

Crew was able to significantly strengthen the Company's balance sheet during the quarter. The Company exceeded its debt reduction target by \$10 million reducing corporate debt by \$73 million over year-end 2008 levels to \$182.3 million or 2.3 times second quarter annualized funds from operations. This debt level positions the Company with over \$82 million of borrowing capacity on its credit facility. The Company plans to maintain this strong financial position through the combination of additional commodity hedging and a disciplined capital expenditure program.

Resource Development Continues

Crew has only drilled 2.8 net wells in the first six months of 2009. In the second half of 2009, the Company expects to drill the following:

- Three (2.7 net) horizontal wells at Septimus, British Columbia and one vertical exploration (1.0 net) well at Portage, British Columbia targeting liquids rich gas;
- One well at Wapiti, Alberta targeting liquids rich gas;
- Three horizontal wells at Killam, Alberta targeting oil;
- Three horizontal wells targeting oil at Princess, Alberta; and
- Two water disposal wells at Princess, Alberta.

Crew is well positioned to ramp up gas production when natural gas prices improve. The Company is fortunate to have the flexibility to pursue oil or natural gas with oil providing attractive returns in the current environment. Out of the 13 wells planned in the second half of 2009, eight are focused on oil development and five will target natural gas and condensate exploration and development.

With the expected sale of the Septimus gas plant for an estimated \$22.5 million, exploration and development capital expenditures for 2009 are currently expected to be approximately \$80 million. Crew will continue to monitor commodity prices, foreign exchange rates and interest rates and continue its risk management program in an effort to ensure funds from operations are sufficient to fund future capital programs. The Company has been disciplined in following its business plan in the current environment. Crew will continue to do the following:

- High grade its asset base through non-core property dispositions redirecting funds to debt reduction and growth initiatives on its resource based assets;
- Improve operating efficiencies to improve operating netbacks;
- Pursue risk management initiatives to protect future capital programs and Crew's balance sheet;
- Achieve long-term reserve and production growth and continue to capture additional resource opportunities; and,
- Preserve the balance sheet strength to position the Company to realize the value in its diverse portfolio of resource based growth prospects.

We thank our shareholders for their patience and continued support in this low gas price environment. With North American natural gas decline rates of approximately 30% and significantly less gas directed drilling, we strongly believe it is a question of "when" not "if" gas prices recover. Crew is uniquely positioned to take full advantage of this recovery with an active second half drilling program, strong balance sheet and large scale repeatable resource focused drilling opportunities. We look forward to reporting our progress in the 2009 business plan in the third quarter report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

ADVISORIES

Management's discussion and analysis ("MD&A") is the Company's explanation of its financial performance for the period covered by the financial statements along with an analysis of the Company's financial position. Comments relate to and should be read in conjunction with the unaudited consolidated financial statements of the Company for the three and six month periods ended June 30, 2009 and 2008 and the audited consolidated financial statements and Management Discussion and Analysis for the year ended December 31, 2008. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada and all figures provided herein and in the December 31, 2008 consolidated financial statements are reported in Canadian dollars.

Forward Looking Statements

This MD&A contains forward-looking statements. Management's assessment of future plans and operations, capital expenditures, methods of financing capital expenditures and the ability to fund financial liabilities, expected commodity prices and the impact on Crew, future operating costs, future transportation costs, expected change in royalty rates, interest rates and the timing of and impact of adoption of IFRS and other accounting policies may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, the inability to fully realize the benefits of the acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, the Company's actual results may differ materially from those expressed in, or implied by, the forward looking statements. Forward looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although Crew believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward looking statements because the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document and other documents filed by the Company, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; Crew's ability to obtain financing on acceptable terms; field production rates and decline rates; the ability to reduce operating costs; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing and costs of pipeline, storage and facility construction and expansion; the ability of the Company to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and Crew's ability to successfully market its oil and natural gas products. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or at the Company's website (www.crewenergy.com). Furthermore, the forward looking statements contained in this document are made as at the date of this document and the Company does not undertake any obligation to update publicly or to revise any of the included forward looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Conversions

The oil and gas industry commonly expresses production volumes and reserves on a "barrel of oil equivalent" basis ("boe") whereby natural gas volumes are converted at the ratio of six thousand cubic feet to one barrel of oil. The intention is to sum oil and natural gas measurement units into one basis for improved analysis of results and comparisons with other industry participants.

Throughout this MD&A, Crew has used the 6:1 boe measure which is the approximate energy equivalency of the two commodities at the burner tip. Boe does not represent a value equivalency at the plant gate which is where Crew sells its production volumes and therefore may be a misleading measure if used in isolation.

Non-GAAP Measures

One of the benchmarks Crew uses to evaluate its performance is funds from operations. Funds from operations is a measure not defined in GAAP that is commonly used in the oil and gas industry. It represents cash provided by operating activities before changes in non-cash working capital, asset retirement expenditures and the transportation liability charge. The Company considers it a key measure as it demonstrates the ability of the business to generate the cash flow necessary to fund future growth through capital investment and to repay debt. Funds from operations should not be considered as an alternative to, or more meaningful than cash flow provided by operating activities as determined in accordance with GAAP as an indicator of the Company's performance. Crew's determination of funds from operations may not be comparable to that reported by other companies. Crew also presents funds from operations per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of income per share. The following table reconciles Crew's cash provided by operating activity to funds from operations:

(\$ thousands)	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Cash provided by operating activities	21,517	31,908	41,023	61,448
Asset retirement expenditures	181	323	282	631
Transportation liability charge	329	328	657	657
Change in non-cash working capital	(1,991)	1,543	(5,405)	404
Funds from operations	20,036	34,102	36,557	63,140

Management uses certain industry benchmarks such as operating netback to analyze financial and operating performance. This benchmark as presented does not have any standardized meaning prescribed by Canadian GAAP and therefore may not be comparable with the calculation of similar measures for other entities. Operating netback equals total petroleum and natural gas sales including realized gains and losses on commodity contracts less royalties, operating costs and transportation calculated on a boe basis. Management considers operating netbacks an important measure to evaluate its performance as it demonstrates its profitability relative to current commodity prices.

RESULTS OF OPERATIONS

Production

	Three months ended June 30, 2009				Three months ended June 30, 2008			
	Oil (bbl/d)	Ngl (bbl/d)	Nat. gas (mcf/d)	Total (boe/d)	Oil (bbl/d)	Ngl (bbl/d)	Nat. gas (mcf/d)	Total (boe/d)
Plains Core	3,042	898	37,065	10,117	359	921	29,965	6,274
North Core	212	308	16,971	3,349	172	393	15,634	3,171
Total	3,254	1,206	54,036	13,466	531	1,314	45,599	9,445

Second quarter 2009 production increased over the second quarter of 2008 as a result of a successful drilling program that added new natural gas production in the Septimus, British Columbia area and oil production in the Princess, Alberta area. Production in the second quarter was also impacted by the production acquired through the August 22, 2008 acquisition of Gentry Resources Inc. ("Gentry") which included 4,100 boe per day comprised of liquids production of approximately 1,900 bbl per day and natural gas production of approximately 13 mmcf per day at the date of acquisition. The impact of these additions was partially offset by high declines on new wells in the Pine Creek, Alberta area, decreased production due to scheduled third party facility downtime in northeastern British Columbia, unscheduled facility downtime in eight other facilities in Alberta, and the shut-in of approximately 400 boe per day of uneconomic natural gas production in non-core properties in Alberta.

	Six months ended June 30, 2009				Six months ended June 30, 2008			
	Oil (bbl/d)	Ngl (bbl/d)	Nat. gas (mcf/d)	Total (boe/d)	Oil (bbl/d)	Ngl (bbl/d)	Nat. gas (mcf/d)	Total (boe/d)
Plains Core	3,264	932	38,574	10,625	294	1,068	34,255	7,071
North Core	219	363	18,199	3,615	164	395	14,398	2,959
Total	3,483	1,295	56,773	14,240	458	1,463	48,653	10,030

Production for the first six months of 2009 increased due to the previously mentioned successful drilling program and the acquisition of Gentry in August 2008.

Revenue

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Revenue (\$ thousands)				
Natural gas	17,998	43,999	45,268	82,542
Oil	17,988	5,805	32,473	9,177
Natural gas liquids	3,345	9,305	7,834	18,779
Sulphur	–	1,207	98	1,207
Total	39,331	60,316	85,673	111,705
Crew average prices				
Natural gas (\$/mcf)	3.66	10.60	4.41	9.32
Oil (\$/bbl)	60.75	120.17	51.52	110.19
Natural gas liquids (\$/bbl)	30.46	77.83	33.42	70.53
Oil equivalent (\$/boe)	32.10	70.18	33.24	61.19
Benchmark pricing				
Natural Gas – AECO C daily index (Cdn \$/mcf)	3.43	10.35	4.21	9.22
Oil – Bow River Crude Oil (Cdn \$/bbl)	70.73	114.58	62.10	101.26
Oil and ngl – Light Sweet @ Edmonton (Cdn \$/bbl)	65.84	126.12	57.68	111.87

Crew's second quarter 2009 revenue decreased 35% from the second quarter of 2008 due to the 54% decrease in average commodity prices partially offset by a 43% increase in the Company's production.

Crew's average natural gas price decreased 65% in the second quarter of 2009 compared to the second quarter of 2008. This compared to a 67% decrease in the Company's benchmark natural gas price for the same period. This disproportionate decrease was the result of the addition of higher valued natural gas added by the Gentry acquisition. In the second quarter of 2009, the Company's oil production was mainly medium grade oil from the Princess area, acquired as part of the August 2008 Gentry acquisition. Princess oil production is approximately 26 degree API that is delivered into the Bow River pipeline system. This compares to the second quarter 2008 oil production which was light oil produced in northeast British Columbia and central Alberta. The Company's oil price decreased 49% in the second quarter of 2009 compared with the same period in 2008 as a result of the significant decline in oil prices and to a lesser extent by the change in quality of Crew's oil production. The Company's ngl price decreased 61% in the second quarter of 2009 compared to a 48% decrease in the benchmark light sweet at Edmonton for the same period of 2008. Increased production of lower valued ethane in the Septimus, BC area accounts for the disproportionate decrease in ngl prices.

For the six months ended June 30, 2009, Crew's gas price decreased 53% compared to the first six months of 2008 which was comparable to the benchmark decrease of 54%. The Company's disproportionate decrease in

its oil price compared to the benchmark for the first six months of 2009 as compared to the same period in 2008 was a result of the change in quality of Crew's oil production as a result of the Gentry acquisition.

Royalties

<i>(\$ thousands, except per boe)</i>	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Royalties	5,512	13,148	16,192	23,769
Per boe	4.50	15.30	6.28	13.02
Percentage of revenue	14.0%	21.8%	18.9%	21.3%

Royalties as a percentage of revenue decreased in the second quarter and first six months of 2009 compared to the same periods of 2008 due to lower royalty rates on the Company's natural gas production in Alberta. Under Alberta's new royalty structure, the Company's crown royalty percentages decrease as natural gas prices decrease. In addition, the Company recovered additional gas cost allowance credits through its annual gas cost allowance filings. The impact of these reduced gas royalties was partially offset by higher royalty rates on the freehold royalty assets acquired in the Gentry corporate acquisition in August 2008. The Company's royalties as a percentage of revenue was lower than the forecasted range of 21% to 22% due to lower than forecasted natural gas prices and the additional gas cost allowance credits. Corporately, Crew has revised its forecasted annual royalties as a percentage of revenue to average 19% to 20% for 2009 for this reason.

Financial Instruments

Commodities

The Company enters into derivative and physical risk management contracts in order to reduce volatility in financial results, to protect acquisition economics and to ensure a certain level of cash flow to fund planned capital projects. Crew's strategy focuses on the use of puts, costless collars, swaps and fixed price contracts to limit exposure to downturns in commodity prices while allowing for participation in commodity price increases. The Company's financial derivative trading activities are conducted pursuant to the Company's Risk Management Policy approved by the Board of Directors.

As at June 30, 2009, the Company held derivative commodity contracts as follows:

Subject of Contract	Notional Quantity	Term	Reference	Strike Price	Option Traded	Realized Gain (Loss) (\$000s)	Fair Value (\$000s)
Natural Gas	2,500 gj/day	January 1, 2009 – December 31, 2009	AECO C Monthly Index	\$6.60 – \$8.50	Collar	996	1,265
Natural Gas	2,500 gj/day	January 1, 2009 – December 31, 2009	AECO C Monthly Index less \$0.09	\$6.50 – \$8.30	Collar	1,216	995
Natural Gas	15,000 gj/day	April 1, 2009 – October 31, 2009	AECO C Monthly Index	\$6.00	Put	3,459	4,090
Natural Gas	2,500 gj/day	November 1, 2009 – December 31, 2010	AECO C Monthly Index	\$6.00	Swap	–	338
Natural Gas	5,000 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$8.00	Call	–	(408)
Natural Gas	10,000 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$7.75	Call	–	(1,113)
Natural Gas	2,500 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$6.20	Swap	–	363
Natural Gas	5,000 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$6.08	Swap	–	511
Oil	500 bbl/day	July 1, 2009 – December 31, 2009	CDN\$ WTI	\$81.70	Swap	–	(181)
Oil	500 bbl/day	July 1, 2009 – December 31, 2009	CDN\$ WTI	\$72.00	Swap	–	(1,066)
Oil	250 bbl/day	July 1, 2009 – December 31, 2009	CDN\$ WTI	\$80.50	Swap	–	(143)
Oil	250 bbl/day	January 1, 2010 – December 31, 2010	CDN\$ WTI	\$78.50	Swap	–	(798)
Oil	500 bbl/day	January 1, 2010 – December 31, 2010	CDN\$ WTI	\$72.00 – \$88.00	Collar	–	(1,012)
Oil	250 bbl/day	January 1, 2010 – December 31, 2010	CDN\$ WTI	\$82.50	Swap	–	(445)
Total						5,671	2,396

Foreign currency

Although all of the Company's petroleum and natural gas sales are conducted in Canada and are denominated in Canadian dollars, Canadian commodity prices are influenced by fluctuations in the Canadian to U.S. dollar exchange rate.

At June 30, 2009, the Company held derivative foreign currency contracts as follows:

Subject of Contract	Notional Quantity	Term	Reference	Strike Price	Option Traded	Realized Gain (Loss) (\$000s)	Fair Value (\$000s)
USD / CAD \$ exchange	US \$2M / Month	February 1, 2009 – December 31, 2009	CAD/USD	1.22	Swap	178	877
USD / CAD \$ exchange	US \$2M / Month	February 1, 2009 – December 31, 2009	CAD/USD	1.26	Swap	578	1,163
USD / CAD \$ exchange	US \$2M / Month	January 1, 2010 – December 31, 2010	CAD/USD	1.094	Swap	–	(1,610)
Total						756	430

Interest rate

The Company is exposed to interest rate fluctuations on its bank debt which bears a floating rate of interest. As shown below, at June 30, 2009, Crew had contracts in place fixing the rate on \$150 million of its bank debt borrowed as banker's acceptances for a period of 24 months at rates of 1.10% to 1.12%. The Company pays an additional stamping fee and margins on banker's acceptances as outlined in note 3 of the financial statements.

Subject of Contract	Notional Quantity	Term	Reference	Strike Price	Option Traded	Realized Gain (Loss) (\$000s)	Fair Value (\$000s)
BA Rate	\$50M / year	February 10, 2009 – February 10, 2011	BA – CDOR	1.10%	Swap	(98)	(269)
BA Rate	\$50M / year	February 12, 2009 – February 12, 2011	BA – CDOR	1.10%	Swap	(101)	(201)
BA Rate	\$50M / year	May 28, 2009 – May 28, 2011	BA – CDOR	1.12%	Swap	(32)	(47)
Total						(231)	(517)

Operating Costs

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
<i>(\$ thousands, except per boe)</i>				
Operating costs	14,448	6,532	28,258	13,205
Per boe	11.79	7.60	10.96	7.23

In the second quarter and first six months of 2009, the Company's operating costs per unit increased over the same periods in 2008 due to the addition of higher cost production from the Gentry acquisition. Higher than expected prior period equalizations and adjustments to prior period estimates combined with a decrease in lower cost production due to facility turnarounds have increased the Company's per boe costs in the second quarter of 2009 above the Company's forecasted level. With plans to limit capital expenditures in 2009, the Company has also deferred some of its cost reducing capital expenditures from its original forecast thus deferring the reductions. With the increase in first half costs, the deferral of these capital expenditures and reduced production forecasts, the Company now expects operating costs to range from \$11.00 to \$11.50 per boe for 2009.

Transportation Costs

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
<i>(\$ thousands, except per boe)</i>				
Transportation costs	2,397	1,921	5,265	3,992
Per boe	1.96	2.23	2.04	2.19

In the second quarter of 2009, the Company's transportation costs per unit have decreased 12% compared to the same period in 2008. In Princess, Alberta, lower clean oil trucking costs per unit have decreased the Company's overall transportation costs per unit. The reduction in clean oil trucking costs per unit were partially offset by increased gas transportation costs per unit in northeastern British Columbia where the Company has a fixed transportation commitment and associated production was curtailed by a facility turnaround during the second quarter. For the first six months of 2009, the Company's transportation costs per unit have decreased as compared with the same period in 2008 as a result of lower clean oil trucking costs for oil production from the Gentry acquisition.

Operating Netbacks

	Three months ended June 30, 2009				Three months ended June 30, 2008			
	Oil (\$/bbl)	Ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)	Oil (\$/bbl)	Ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)
Revenue	60.75	30.46	3.66	32.10	120.17	77.83	10.60	70.18
Realized commodity hedging gain (loss)	–	–	1.01	4.04	–	–	(0.54)	(2.61)
Royalties	(16.45)	(9.48)	(0.08)	(4.50)	(17.68)	(23.17)	(2.24)	(15.30)
Operating costs	(13.44)	(9.81)	(1.91)	(11.79)	(9.07)	(7.00)	(1.27)	(7.60)
Transportation costs	(1.28)	–	(0.41)	(1.96)	(2.71)	(0.04)	(0.43)	(2.23)
Operating netbacks	29.58	11.17	2.27	17.89	90.71	47.62	6.12	42.44

	Six months ended June 30, 2009				Six months ended June 30, 2008			
	Oil (\$/bbl)	Ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)	Oil (\$/bbl)	Ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)
Revenue	51.52	33.42	4.41	33.24	110.19	70.53	9.32	61.19
Realized commodity hedging gain (loss)	–	–	0.55	2.20	–	–	(0.26)	(1.28)
Royalties	(13.35)	(9.97)	(0.50)	(6.28)	(15.49)	(20.22)	(1.91)	(13.02)
Operating costs	(11.98)	(9.17)	(1.81)	(10.96)	(8.91)	(6.27)	(1.22)	(7.23)
Transportation costs	(1.43)	–	(0.42)	(2.04)	(2.87)	(0.04)	(0.42)	(2.19)
Operating netbacks	24.76	13.33	2.23	16.16	82.92	44.01	5.51	37.47

General and Administrative Costs

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
<i>(\$ thousands, except per boe)</i>				
Gross costs	3,219	2,454	6,699	5,088
Operator's recoveries	(388)	(486)	(812)	(1,034)
Capitalized costs	(1,416)	(984)	(2,944)	(2,027)
General and administrative expenses	1,415	984	2,943	2,027
Per boe	1.15	1.14	1.14	1.11

Increased general and administrative costs before recoveries and capitalization were mainly the result of increased staff levels to accommodate the Company's larger operations in the second quarter of 2009 compared to 2008. In the second quarter of 2009, net general and administrative costs per boe have remained consistent with the same period of 2008. For the first six months of 2009 net general and administrative costs and costs per unit have increased compared to the same period in 2008 due to a decrease in capital expenditures and a subsequent decrease in capital recoveries. The Company expects general and administrative expenses to average between \$1.00 and \$1.15 per boe for the year.

Interest

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
<i>(\$ thousands, except per boe)</i>				
Interest expense	1,166	1,655	2,654	3,510
Average debt level	223,864	113,558	225,754	109,534
Effective interest rate	2.1%	5.1%	2.4%	6.0%
Per boe	0.95	1.93	1.03	1.92

In the second quarter and first half of 2009, despite higher average debt levels, lower effective interest rates decreased the Company's interest expense for the period compared with the same periods in 2008. In the latter part of 2009, the Company will have increased margins applied to its bank facility which will negatively affect Crew's interest expense and effective interest rate; however, lower prime interest rates and interest rates on banker's acceptances will partially offset this increase.

Stock-Based Compensation

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
<i>(\$ thousands)</i>				
Gross costs	1,663	1,864	3,421	3,572
Capitalized costs	(832)	(932)	(1,711)	(1,786)
Total stock-based compensation	831	932	1,710	1,786

The Company's stock-based compensation expense has decreased in the second quarter of 2009 and the first half of 2009 as compared with the same periods in 2008 as an increase in stock options outstanding has been more than offset by a decrease in the fair value of the stock options issued.

Depletion, Depreciation and Accretion

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
<i>(\$ thousands, except per boe)</i>				
Depletion, depreciation and accretion	32,823	20,650	67,794	43,290
Per boe	26.79	24.03	26.30	23.71

Per unit depletion has increased in the second quarter and first half of 2009 due to additional accretion associated with the added Gentry assets in August 2008 and increased depletion associated with the addition of the fair market value of the Gentry assets at the acquisition date, which was higher than historic Company carrying values for proved reserves.

Future Income Taxes

The provision for future income taxes was a recovery of \$5.2 million in the second quarter of 2009 compared to an expense of \$1.8 million in the same period of 2008. The decrease in future taxes was a result of a pre-tax loss in 2009. For the first six months of 2009, the Company had a future tax recovery of \$10.6 million as compared with a future tax expense of \$1.3 million for the same period of 2008. The recovery was a result of a pre-tax loss

in 2009 and a corporate rate reduction in British Columbia from 11 percent to 10 percent in 2010 and a further reduction to 10 percent in 2011.

Cash and Funds from Operations and Net Income (Loss)

<i>(\$ thousands, except per share amounts)</i>	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Cash provided by operating activities	21,517	31,908	41,023	61,448
Funds from operations	20,036	34,102	36,557	63,140
Per share – basic	0.27	0.60	0.51	1.14
– diluted	0.27	0.58	0.51	1.12
Net income (loss)	(12,267)	5,415	(21,285)	6,356
Per share – basic	(0.17)	0.09	(0.29)	0.11
– diluted	(0.17)	0.09	(0.29)	0.11

The second quarter and first half of 2009 decrease in cash provided by operations and funds from operations was the result of decreased commodity pricing and higher operating costs for the periods partially offset by realized gains on financial instruments. The second quarter and first half 2009 net loss resulted from the decreased commodity prices and higher operating and depletion costs partially offset by a \$1.8 million net gain on financial instruments.

Capital Expenditures, Acquisitions and Dispositions

During the second quarter of 2009, the Company drilled one (1.0 net) water disposal well. In addition, the Company also recompleted 13 (13.0 net) wells in the Princess, Alberta area. Crew continued to add to its infrastructure, beginning construction and procuring equipment for its Septimus facility and pipeline in northeastern British Columbia. In the second quarter of 2009, the Company closed three dispositions of non-core properties with approximately 540 boe per day in central Alberta and British Columbia for net proceeds of \$23.7 million.

Total exploration and development capital expenditures for the second quarter and first half of 2009 were \$14.2 and \$37.9 million, respectively compared to \$22.6 and \$71.7 million for the same periods in 2008. The expenditures are detailed below:

<i>(\$ thousands)</i>	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Land	716	2,201	3,868	20,065
Seismic	322	355	2,095	1,477
Drilling and completions	4,745	13,501	10,400	36,157
Facilities, equipment and pipelines	6,889	5,048	18,345	11,395
Other	1,515	1,459	3,157	2,572
Total exploration and development	14,187	22,564	37,865	71,666
Property acquisitions (dispositions)	(23,688)	63,110	(34,378)	71,756
Total	(9,501)	85,674	3,487	143,422

As at June 30, 2009, budgeted exploration and development expenditures for 2009 are estimated at \$80 million. This amount does not include the impact of any property dispositions other than the Company's negotiated sale of the Septimus natural gas facility to Aux Sable Canada for estimated proceeds of \$22.5 million which is scheduled to close in the fourth quarter of 2009.

LIQUIDITY AND CAPITAL RESOURCES

Capital Funding

On May 11, 2009, the Company completed the extension of its credit facility with a syndicate of banks (the “Syndicate”). The credit facility was amended to a revolving line of credit of \$250 million and an operating line of credit of \$15 million (the “Facility”). The Facility revolves for a 364 day period and will be subject to its next 364 day extension by June 14, 2010. If not extended, the Facility will cease to revolve, the margins there under will increase by 0.50 percent and all outstanding balances under the Facility will become repayable in one year. The available lending limits of the Facility are reviewed semi-annually and are based on the Syndicate’s interpretation of the Company’s reserves and future commodity prices. There can be no assurance that the amount of the available Facility will not be adjusted at the next scheduled review on or before October 31, 2009. At June 30, 2009, the Company had committed drawings of \$174.9 million on the Facility and had issued letters of credit totaling \$5.4 million of which \$5.0 million expires by September 30, 2009.

On May 28, 2009, the Company closed a bought deal sale of 7,000,000 Common Shares of the Company at a price of \$6.20 per share for aggregate gross proceeds of \$43.4 million. Proceeds of the offering were initially used to pay down drawings on the Company’s Facility, which can be redrawn and applied as needed to fund a portion of the Company’s future capital program.

The Company will continue to fund its on-going operations from a combination of cash flow, debt, asset dispositions and equity financings as needed. As the majority of our on-going capital expenditure program is directed to the further growth of reserves and production volumes, Crew is readily able to adjust its budgeted capital expenditures should the need arise.

Working Capital

The capital intensive nature of Crew’s activities generally results in the Company carrying a working capital deficit. However, the Company maintains sufficient unused bank credit lines to satisfy such working capital deficiencies. At June 30, 2009, the Company’s working capital deficiency (including accounts receivable, accounts payable and accrued liabilities) totaled \$7.4 million which, when combined with the drawings on its bank line, represented 69% of its current bank facility.

Share Capital

As at August 10, 2009, Crew had 78,083,668 Common Shares and 5,779,500 options to acquire Common Shares of the Company issued and outstanding.

Capital Structure

The Company considers its capital structure to include working capital, bank debt, and shareholders’ equity. Crew’s primary capital management objective is to maintain a strong balance sheet in order to continue to fund the future growth of the Company. Crew monitors its capital structure and makes adjustments on an on-going basis in order to maintain the flexibility needed to achieve the Company’s long-term objectives. To manage the capital structure the Company may adjust capital spending, hedge future revenue and costs, issue new equity, issue new debt or repay existing debt through asset sales.

The Company monitors debt levels based on the ratio of net debt to annualized funds from operations. The ratio represents the time period it would take to pay off the debt if no further capital expenditures were incurred and if funds from operations remained constant. This ratio is calculated as net debt, defined as outstanding bank debt and net working capital, divided by annualized funds from operations for the most recent quarter.

The Company monitors this ratio and endeavours to maintain it at or below 2.0 to 1. This ratio may increase at certain times as a result of acquisitions or low commodity prices. As shown below, as at June 30, 2009, the Company’s ratio of net debt to annualized funds from operations was 2.28 to 1 (December 31, 2008 – 2.15 to 1).

This amount has risen above the preferred range of the Company as a result of the decrease in commodity prices experienced over the past year.

<i>(\$ thousands, except ratio)</i>	June 30, 2009
Net debt	182,358
Funds from operations	20,036
Annualized	80,144
Net debt to annualized funds from operations ratio	2.28

In order to restore the Company's financial flexibility Crew will execute a conservative capital spending program in 2009 currently estimated at \$80 million. The Company has added commodity, interest rate and foreign exchange hedging for 2009 and 2010 to provide support for its funds from operations and assist in funding its capital expenditure program. On May 28, 2009, the Company closed a bought deal equity financing for aggregate gross proceeds of \$43.4 million. In addition, in 2009 the Company has disposed of non-core properties for net proceeds of \$34.4 million. The Company may also consider the sale of additional non-core assets and will consider other forms of financing to improve the Company's financial position if cash flow does not adequately fund the programs planned to achieve the Company's long term objectives.

Contractual Obligations

Throughout the course of its ongoing business, the Company enters into various contractual obligations such as credit agreements, purchase of services, royalty agreements, operating agreements, processing agreements, right of way agreements and lease obligations for office space and automotive equipment. All such contractual obligations reflect market conditions prevailing at the time of contract and none are with related parties. The Company believes it has adequate sources of capital to fund all contractual obligations as they come due. The following table lists the Company's obligations with a fixed term.

<i>(\$ thousands)</i>	Total	2009	2010	2011
Bank Loan ⁽¹⁾	174,928	–	–	174,928
Operating Leases	2,227	495	990	742
Capital commitments	10,955	4,455	6,500	–
Firm transportation agreements ⁽²⁾	17,289	3,499	7,152	6,638
Total	205,399	8,449	14,642	182,308

(1) Based on the existing terms of the Company's bank facility the first possible repayment date may come in 2011. However, it is expected that the revolving bank facility will be extended and no repayment will be required in the near term.

(2) The firm transportation commitments were acquired as part of the Company's May, 2007 private company acquisition and represent firm service commitments for transportation and processing of natural gas in British Columbia.

GUIDANCE

North American natural gas prices continue to be weak as supply continues to outweigh demand. The response by industry has been to significantly reduce activity levels and defer production. This has not prevented a steady build in gas storage levels in an environment of reduced gas demand. We believe gas prices will recover in 2010 and remain committed to our long-term strategy of finding and developing large resources at low costs.

The current gas price environment has rendered some of Crew's properties marginally cash flow positive to slightly cash flow negative. As a result we have elected to defer production from these properties until the economics of producing them improve. As such, the Company has shut-in as much as 950 boe per day of production during July and currently has 400 boe per day of production shut-in. We will continue to monitor economics on all properties and may shut-in additional production volumes should natural gas prices decline from current levels. In addition, Crew has elected to defer tie-in or production of approximately 1,900 boe per day, most of which is located at Septimus, British Columbia awaiting better economic returns and the start up of the Septimus

gas plant. As a result of these production curtailments forecasted average 2009 production has been revised to 13,500 to 13,800 boe per day. Once oil wells at Princess and Killam are drilled and placed on production and the Septimus gas plant becomes operational, production is expected to ramp up resulting in an exit production rate of 14,500 to 15,000 boe per day.

ADDITIONAL DISCLOSURES

Quarterly Analysis

The following table summarizes Crew's key quarterly financial results for the past eight financial quarters:

<i>(\$ thousands, except per share amounts)</i>	June 30 2009	Mar. 31 2009	Dec. 31 2008	Sept. 30 2008	June 30 2008	Mar. 31 2008	Dec. 31 2007	Sept. 30 2007
Total daily production (boe/d)	13,466	15,022	14,869	11,505	9,445	10,614	9,641	9,268
Average wellhead price (\$/boe)	32.10	34.28	42.99	61.74	70.18	53.20	43.90	39.16
Petroleum and natural gas sales	39,331	46,342	58,806	65,345	60,316	51,389	38,942	33,390
Cash provided by operations	21,517	19,506	25,700	36,208	31,908	29,540	11,882	23,035
Funds from operations	20,036	16,521	29,646	35,004	34,102	29,038	22,390	21,171
Per share – basic	0.27	0.23	0.42	0.54	0.60	0.54	0.43	0.45
– diluted	0.27	0.23	0.42	0.54	0.58	0.54	0.43	0.44
Net income (loss)	(12,267)	(9,018)	(74,853)	15,178	5,415	941	6,889	(449)
Per share – basic	(0.17)	(0.13)	(1.05)	0.24	0.09	0.02	0.13	(0.01)
– diluted	(0.17)	(0.13)	(1.05)	0.23	0.09	0.02	0.13	(0.01)

Crew's petroleum and natural gas sales, cash and funds from operations and net income are all impacted by production levels and volatile commodity pricing. From 2007 to 2009, despite increasing production, these performance measures have fluctuated as a result of volatile oil and natural gas prices combined with the escalating cost of operations.

Significant factors and trends that have impacted the Company's results during the above periods include:

- Revenue is directly impacted by the Company's ability to replace existing declining production and add incremental production through its on-going capital expenditure program.
- Revenue and royalties are significantly impacted by underlying commodity prices. The Company utilizes a limited amount of derivative contracts and forward sales contracts to reduce the exposure to commodity price fluctuations.
- From the third quarter of 2008 to the second quarter of 2009, revenue has been negatively impacted by a decrease in oil and natural gas prices.
- Production in the second quarter of 2008 and 2009 was impacted by a scheduled and unscheduled third party facility shutdowns.
- In August, 2008, the Company acquired Gentry Resources Ltd. with approximately 4,100 boe per day of production at closing. The increased revenue received from this added production was partially offset by the higher cost structure of these assets compared to Crew's costs on other assets.
- Production in the third and fourth quarter of 2007 was reduced by significant facility outages at Sierra in northeastern British Columbia and Edson and Ferrier, Alberta.
- Throughout 2007 and 2008, the Company's operating costs, general and administrative costs and capital expenditures were subject to inflationary pressures brought on by increased demand for services and supplies within the Canadian oil and gas industry.

- During the quarter ended September 30, 2007 the Company's funds from operations and net income were positively impacted by the one time receipt of Alberta deep well royalty holiday credits and 2006 Alberta gas cost allowance adjustments totalling \$4.0 million.
- In the fourth quarter of 2008, Crew performed an impairment test on its goodwill and determined that its carrying value exceeded its fair value and therefore an impairment charge of \$69.1 million was required.
- During 2008 and the first six months of 2009, the Company experienced volatility in its net income as a result of realized and unrealized gains and losses on commodity derivative contracts held for risk management purposes.
- In the fourth quarter of 2007, the first quarter of 2008 and the first quarter of 2009, Crew had a future income tax recovery which positively affected income due to Canadian provincial and federal government tax rate reductions.

New Accounting Pronouncements

International Financial Reporting Standards ("IFRS")

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed the changeover to IFRS from Canadian GAAP will be required for publicly accountable enterprises for interim and annual financial statements effective for fiscal years beginning on or after January 1, 2011, including comparatives for 2010. Crew's financial statements up to and including the December 31, 2010 financial statements will continue to be reported in accordance with Canadian GAAP as it exists on each reporting date. Financial statements for the quarter ended March 31, 2011, including comparative amounts, will be prepared on an IFRS basis.

In order to transition to IFRS, Management has established a project team and formed an executive steering committee. A transition plan has been developed to convert the financial statements to IFRS. The transition effort is proceeding as planned. Training has been provided to key employees and the Company continues to monitor the effect of the transition on information systems, internal controls over financial reporting and disclosure controls and procedures. External advisors have been retained and will assist management with the project on an as needed basis. Staff training programs will continue in 2009 and be ongoing as the project unfolds. Analysis of differences between IFRS and Crew's current accounting policies continues, and the impact of various alternatives is being assessed. Changes in accounting policy are likely and may materially impact the financial statements. Due to anticipated changes in IFRS prior to the conversion date, the final impact of the conversion on Crew's financial statements cannot be measured.

In May 2009, the CICA amended Section 3862, "Financial Instruments – Disclosures," to include additional disclosure requirements about fair value measurement for financial instruments and liquidity risk disclosures. These amendments require a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. These amendments are effective for Crew on December 31, 2009.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that: (i) material information relating to the Company is made known to the Company's CEO and CFO by others, particularly during the period in which the annual filings are being prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation.

Crew's CEO and CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company is required to disclose herein any change in the design of the Company's internal control over financial reporting that occurred during the quarter ended on June 30, 2009 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. No material changes in the Company's design of internal control over financial reporting were identified during such period, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

It should be noted that a control system, including the Company's disclosure and internal controls and procedures, no matter how well conceived, can provide only reasonable, but not absolute, assurance that the objectives of the control system will be met and it should not be expected that the disclosure and internal controls and procedures will prevent all errors or fraud.

Dated as of August 10, 2009

CONSOLIDATED BALANCE SHEETS

<i>(unaudited) (thousands)</i>	June 30, 2009	December 31, 2008
ASSETS		
Current Assets:		
Accounts receivable	\$ 28,518	\$ 42,800
Fair value of financial instruments (note 7)	2,309	1,255
Future income taxes	–	15
	30,827	44,070
Property, plant and equipment (note 2)	940,149	1,001,440
	\$ 970,976	\$ 1,045,510
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 35,948	\$ 74,622
Future income taxes	251	–
Current portion of other long-term obligations (note 4)	1,313	1,313
	37,512	75,935
Bank loan (note 3)	174,928	223,628
Other long-term obligations (note 4)	789	1,446
Asset retirement obligations (note 5)	35,385	34,941
Future income taxes	105,332	116,292
SHAREHOLDERS' EQUITY		
Share capital (note 6)	616,817	575,191
Contributed surplus (note 6)	19,777	16,356
Retained earnings (deficit)	(19,564)	1,721
	617,030	593,268
Commitments (note 10)		
	\$ 970,976	\$ 1,045,510

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)

	Three months ended		Six months ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
<i>(unaudited) (thousands, except per share amounts)</i>				
Revenue				
Petroleum and natural gas sales	\$ 39,331	\$ 60,316	\$ 85,673	\$ 111,705
Royalties	(5,512)	(13,148)	(16,192)	(23,769)
Realized gain (loss) on financial instruments (note 7)	5,643	(2,242)	6,196	(2,330)
Unrealized gain (loss) on financial instruments (note 7)	(3,816)	(5,260)	1,054	(10,426)
Other income	–	268	–	268
	35,646	39,934	76,731	75,448
Expenses				
Operating	14,448	6,532	28,258	13,205
Transportation	2,397	1,921	5,265	3,992
General and administrative	1,415	984	2,943	2,027
Interest	1,166	1,655	2,654	3,510
Stock-based compensation	831	932	1,710	1,786
Depletion, depreciation and accretion	32,823	20,650	67,794	43,290
	53,080	32,674	108,624	67,810
Income (loss) before income taxes	(17,434)	7,260	(31,893)	7,638
Future income tax expense (reduction)	(5,167)	1,845	(10,608)	1,282
Net income (loss) and comprehensive income (loss)	(12,267)	5,415	(21,285)	6,356
Retained earnings (deficit), beginning of period	(7,297)	55,981	1,721	55,040
Retained earnings (deficit), end of period	\$ (19,564)	\$ 61,396	\$ (19,564)	\$ 61,396
Net income (loss) per share (note 6(e))				
Basic	\$ (0.17)	\$ 0.09	\$ (0.29)	\$ 0.11
Diluted	\$ (0.17)	\$ 0.09	\$ (0.29)	\$ 0.11

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(unaudited) (thousands)</i>	Three months ended		Six months ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Cash provided by (used in):				
Operating activities:				
Net income (loss)	\$ (12,267)	\$ 5,415	\$ (21,285)	\$ 6,356
Items not involving cash:				
Depletion, depreciation and accretion	32,823	20,650	67,794	43,290
Stock-based compensation	831	932	1,710	1,786
Future income tax expense (reduction)	(5,167)	1,845	(10,608)	1,282
Unrealized (gain) loss on financial instruments	3,816	5,260	(1,054)	10,426
Transportation liability charge (note 4)	(329)	(328)	(657)	(657)
Asset retirement expenditures	(181)	(323)	(282)	(631)
Change in non-cash working capital (note 9)	1,991	(1,543)	5,405	(404)
	21,517	31,908	41,023	61,448
Financing activities:				
Increase (decrease) in bank loan	(64,762)	(4,795)	(48,700)	24,320
Issue of common shares	43,400	69,097	43,400	69,762
Share issue costs	(2,439)	(3,507)	(2,439)	(3,521)
	(23,801)	60,795	(7,739)	90,561
Investing activities:				
Exploration and development	(14,187)	(22,564)	(37,865)	(71,666)
Property (acquisitions)	-	(63,110)	-	(71,756)
Property dispositions	23,688	-	34,378	-
Change in non-cash working capital (note 9)	(7,217)	(7,029)	(29,797)	(8,587)
	2,284	(92,703)	(33,284)	(152,009)
Change in cash and cash equivalents	-	-	-	-
Cash and cash equivalents, beginning of period	-	-	-	-
Cash and cash equivalents, end of period	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2009 and 2008
(Unaudited) (Tabular amounts in thousands)

1. SIGNIFICANT ACCOUNTING POLICIES:

The interim consolidated financial statements of Crew Energy Inc. (“Crew” or the “Company”) have been prepared by management in accordance with accounting principles generally accepted in Canada. The interim consolidated financial statements have been prepared following the same accounting policies and methods of computation as the consolidated financial statements for the year ended December 31, 2008. The disclosure which follows is incremental to the disclosure included with the December 31, 2008 consolidated financial statements. These interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2008.

In May 2009, the CICA amended Section 3862, “Financial Instruments – Disclosures,” to include additional disclosure requirements about fair value measurement for financial instruments and liquidity risk disclosures. These amendments require a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. These amendments are effective for Crew on December 31, 2009.

Certain comparative amounts have been reclassified to conform to current period presentation.

2. PROPERTY, PLANT AND EQUIPMENT:

	Cost	Accumulated depletion and depreciation	Net book value
June 30, 2009			
Petroleum and natural gas properties and equipment	\$ 1,254,976	\$ 314,827	\$ 940,149

	Cost	Accumulated depletion and depreciation	Net book value
December 31, 2008			
Petroleum and natural gas properties and equipment	\$ 1,249,859	\$ 248,419	\$ 1,001,440

The cost of unproved properties at June 30, 2009 of \$163,820,000 (2008 - \$118,740,000) was excluded from the depletion calculation. Estimated future development costs associated with the development of the Company’s proved reserves of \$106,968,000 (2008 - \$28,594,000) have been included in the depletion calculation and estimated salvage values of \$38,246,000 (2008 - \$25,026,000) have been excluded from the depletion calculation.

The following corporate expenses related to exploration and development activities were capitalized.

	Six months ended June 30, 2009	Year ended December 31, 2008
General and administrative expense	\$ 2,943	\$ 4,169
Stock-based compensation expense, including future income taxes	2,290	4,485
	\$ 5,233	\$ 8,654

3. BANK LOAN:

The Company's bank facility was extended on May 11, 2009 and consists of a revolving line of credit of \$250 million and an operating line of credit of \$15 million (the "Facility"). The Facility revolves for a 364 day period and will be subject to its next 364 day extension by June 14, 2010. If not extended, the Facility will cease to revolve, the margins there under will increase by 0.50 percent and all outstanding advances there under will become repayable in one year. The available lending limits of the Facility are reviewed semi-annually and are based on the bank syndicate's interpretation of the Company's reserves and future commodity prices. There can be no assurance that the amount of the available Facility will not be adjusted at the next scheduled review on or before October 31, 2009. The facility is secured by a first floating charge debenture over the Company's consolidated assets.

Advances under the Facility are available by way of prime rate loans with interest rates of between 1.75 percent and 3.5 percent over the bank's prime lending rate and bankers' acceptances and LIBOR loans which are subject to stamping fees and margins ranging from 2.75 percent to 4.5 percent depending upon the debt to EBITDA ratio of the Company calculated at the Company's previous quarter end. The Company's facility will be subject to an additional 0.50 percent increase in these fees and margins at any time drawings on the facility exceed \$250 million. Standby fees are charged on the undrawn facility at rates ranging from 0.70 percent to 1.2 percent depending upon the debt to EBITDA ratio.

As at June 30, 2009, the Company's applicable pricing included a 2.25 percent margin on prime lending and a 3.25 percent stamping fee and margin on Bankers' Acceptances and LIBOR loans along with a 0.80 percent per annum standby fee on the portion of the facility that is not drawn. Borrowing margins and fees are reviewed annually as part of the bank syndicate's annual renewal. At June 30, 2009, the Company had issued letters of credit totaling \$5.4 million. The effective interest rate on the Company's borrowings under its bank facility for the period ended June 30, 2009 was 2.4% (2008 - 5.9%).

4. OTHER LONG-TERM OBLIGATIONS:

As part of a May, 2007 private company acquisition, the Company acquired several firm transportation agreements. These agreements had a fair value at the time of the acquisition of a \$4.9 million liability. This amount was accounted for as part of the acquisition cost and will be charged as a reduction to transportation expenses over the life of the contracts as they are incurred. The last of these contracts expires in October 2011. The charge for the three and six months ended June 30, 2009 was \$0.3 million and \$0.7 million, respectively (June 30, 2008 - \$0.3 million and \$0.7 million).

5. ASSET RETIREMENT OBLIGATIONS:

Total future asset retirement obligations were determined by management and were based on Crew's net ownership interest, the estimated future costs to reclaim and abandon the wells and facilities and the estimated timing of when the costs will be incurred. Crew estimated the net present value of its total asset retirement obligation as at June 30, 2009 to be \$35,385,000 (December 31, 2008 - \$34,941,000) based on a total future liability of \$66,242,000 (December 31, 2008 - \$67,588,000). These payments

are expected to be made over the next 30 years. An 8% to 10% (2008 – 8% to 10%) credit adjusted risk free discount rate and 2% (2008 – 2%) inflation rate were used to calculate the present value of the asset retirement obligation.

The following table reconciles Crew's asset retirement obligations:

	Six months ended June 30, 2009	Year ended December 31, 2008
Carrying amount, beginning of period	\$ 34,941	\$ 18,668
Liabilities incurred	42	1,228
Liabilities acquired (disposed)	(702)	13,927
Accretion expense	1,386	1,893
Liabilities settled	(282)	(775)
Carrying amount, end of period	\$ 35,385	\$ 34,941

6. SHARE CAPITAL:

(a) Authorized:

Unlimited number of Common Shares

(b) Common Shares issued:

	Number of shares	Amount
Common shares, December 31, 2008	71,084	\$ 575,191
Public offering issued for cash	7,000	43,400
Share issue costs, net of income taxes of \$665	–	(1,774)
Common shares, June 30, 2009	78,084	\$ 616,817

On May 28, 2009, the Company issued 7,000,000 Common Shares at a price of \$6.20 per share for aggregate gross proceeds of \$43.4 million.

(c) Contributed Surplus:

	Amount
Contributed surplus, December 31, 2008	\$ 16,356
Stock-based compensation	3,421
Contributed surplus, June 30, 2009	\$ 19,777

(d) Stock-based compensation:

The Company measures compensation costs associated with stock-based compensation using the fair market value method under which the cost is recognized over the vesting period of the underlying security. The fair value of each stock option is determined at each grant date using the Black-Scholes model with the following weighted average assumptions used for options granted during the three month period ended June 30, 2009: risk free interest rate 1.55% (2008 – 4.15%), expected life 4 years (2008 – 4 years), volatility 52% (2008 – 45%), and an expected dividend of nil (2008 – nil). The Company has not incorporated an estimated forfeiture rate for stock options that will not vest rather the Company accounts for actual forfeitures as they occur.

During the first six months of 2009, the Company recorded \$3,421,000, (2008 - \$3,572,000) of stock-based compensation expense related to the stock options, of which \$1,711,000 (2008 - \$1,786,000) was capitalized in accordance with the Company's full cost accounting policy. As stock-based compensation is non-deductible for income tax purposes, a future income tax liability of \$579,000 (2008 - \$623,000) associated with the current year's capitalized stock-based compensation has been recorded.

(i) *Stock options*

The average fair value of the stock options granted during the six months ended June 30, 2009, as calculated by the Black-Scholes method, was \$2.03 per option (2008 - \$3.34).

	Number of Options	Price Range	Weighted average exercise price
Balance December 31, 2008	4,276	\$3.50 to \$18.70	\$9.76
Granted	1,658	\$2.78 to \$5.30	\$4.88
Forfeited	(154)	\$5.30 to \$14.77	\$10.99
Balance June 30, 2009	5,780	\$2.78 to \$18.70	\$8.32
Exercisable	1,765	\$7.23 to \$18.70	\$9.69

(e) Per share amounts:

Per share amounts have been calculated on the weighted average number of shares outstanding. The weighted average shares outstanding for the three month period ended June 30, 2009 was 73,622,000 (June 30, 2008 – 57,162,000) and for the six month period ended June 30, 2009, the weighted average number of shares outstanding was 72,360,000 (June 30, 2008 – 55,394,000).

In computing diluted per share amounts for the three month period ended June 30, 2009 no (June 30, 2008 – 1,212,000) shares were added to the weighted average number of Common Shares outstanding for the dilution added by the stock options and for the six month period ended June 30, 2009, no (June 30, 2008 – 850,000) shares were added to the weighted average number of common shares for the dilution. There were 5,780,000 (June 30, 2008 – 190,500) stock options that were not included in the diluted earnings per share calculation because they were anti-dilutive.

7. **FINANCIAL INSTRUMENTS:**

(a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from petroleum and natural gas marketers and joint venture partners.

The carrying amount of accounts receivable and the fair value of financial instruments represent the maximum credit exposure. As at June 30, 2009 the Company's receivables consisted of \$12.2 (2008 - \$18.4) million of receivables from petroleum and natural gas marketers of which the majority has subsequently been collected, \$7.5 (2008 - \$12.4) million from joint venture partners of which \$0.9 million has subsequently been collected, and \$8.8 (2008 - \$12.0) million of Crown deposits, prepaids and other accounts receivable. The Company does not have an allowance for doubtful accounts as at June 30, 2009 and did not provide for any doubtful accounts nor was it required to write-off any receivables during the period ended June 30, 2009.

(b) Liquidity risk:

Accounts payable and financial instruments have contractual maturities of less than one year. The Company maintains a revolving credit facility, as outlined in note 3, that is reviewed semi-annually by the lenders and has a contractual maturity in 2011. The Company maintains and monitors a certain level of cash flow which is used to partially finance operating and capital expenditures. The Company does not pay dividends.

(c) Market risk:

Market risk is the risk that changes in market conditions, such as commodity prices, interest rates, and foreign exchange rates, will affect the Company's net income or the value of financial instruments. The

objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing the Company's returns.

The Company utilizes both financial derivatives and physical delivery sales contracts to manage market risks. All such transactions are conducted in accordance with the Company's risk management policy that has been approved by the Board of Directors.

(i) Commodity price risk

The Company has attempted to mitigate a portion of the commodity price risk through the use of various financial derivative and physical delivery sales contracts. The Company's policy is to enter into commodity price contracts when considered appropriate to a maximum of 50% of forecasted production volumes for a period of not more than two years.

Derivatives are recorded on the balance sheet at fair value at each reporting period with the change in fair value being recognized as an unrealized gain or loss on the consolidated statement of operations, comprehensive income and retained earnings.

(ii) Foreign currency exchange rate risk

The Company has attempted to mitigate a portion of its foreign exchange fluctuation risk through the use of financial derivatives as outlined below.

(iii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate fluctuations on its bank debt which bears a floating rate of interest. For the three and six months ended June 30, 2009, a 1.0 percent change to the effective interest rate would have a \$0.4 million and \$0.9 million impact on net income, respectively (2008 - \$0.2 and \$0.4 million). The sensitivity for 2009 is higher as compared to 2008 because of an increase in average outstanding bank debt in 2009 compared to 2008.

The Company has attempted to mitigate the impact of future fluctuations in interest rates on its outstanding debt by entering into contracts fixing the base interest rate on \$150 million of banker's acceptance borrowings as outlined below. These rates are, under the Company's recently amended banking Facility, subject to additional stamping fees ranging from 2.75 per cent to 4.50 per cent depending upon the debt to EBITDA ratio calculated at the Company's previous quarter end.

The Company's derivative contracts in place as of June 30, 2009 are as follows:

Subject of Contract	Notional Quantity	Term	Reference	Strike Price	Option Traded	Realized Gain (Loss) (\$000s)	Fair Value (\$000s)
Commodity contracts							
Natural Gas	2,500 gj/day	January 1, 2009 – December 31, 2009	AECO C Monthly Index	\$6.60 – \$8.50	Collar	996	1,265
Natural Gas	2,500 gj/day	January 1, 2009 – December 31, 2009	AECO C Monthly Index less \$0.09	\$6.50 – \$8.30	Collar	1,216	995
Natural Gas	15,000 gj/day	April 1, 2009 – October 31, 2009	AECO C Monthly Index	\$6.00	Put	3,459	4,090
Natural Gas	2,500 gj/day	November 1, 2009 – December 31, 2010	AECO C Monthly Index	\$6.00	Swap	–	338
Natural Gas	5,000 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$8.00	Call	–	(408)
Natural Gas	10,000 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$7.75	Call	–	(1,113)
Natural Gas	2,500 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$6.20	Swap	–	363
Natural Gas	5,000 gj/day	January 1, 2010 – December 31, 2010	AECO C Monthly Index	\$6.08	Swap	–	511
Oil	500 bbl/day	July 1, 2009 – December 31, 2009	CDN\$ WTI	\$81.70	Swap	–	(181)
Oil	500 bbl/day	July 1, 2009 – December 31, 2009	CDN\$ WTI	\$72.00	Swap	–	(1,066)
Oil	250 bbl/day	July 1, 2009 – December 31, 2009	CDN\$ WTI	\$80.50	Swap	–	(143)
Oil	250 bbl/day	January 1, 2010 – December 31, 2010	CDN\$ WTI	\$78.50	Swap	–	(798)
Oil	500 bbl/day	January 1, 2010 – December 31, 2010	CDN\$ WTI	\$72.00 – \$88.00	Collar	–	(1,012)
Oil	250 bbl/day	January 1, 2010 – December 31, 2010	CDN\$ WTI	\$82.50	Swap	–	(445)
Total commodity contracts						5,671	2,396

Subject of Contract	Notional Quantity	Term	Reference	Strike Price	Option Traded	Realized Gain (Loss) (\$000s)	Fair Value (\$000s)
Foreign exchange contracts							
USD / CAD \$ exchange	US \$2M / Month	February 1, 2009 – December 31, 2009	CAD/USD	1.22	Swap	178	877
USD / CAD \$ exchange	US \$2M / Month	February 1, 2009 – December 31, 2009	CAD/USD	1.26	Swap	578	1,163
USD / CAD \$ exchange	US \$2M / Month	January 1, 2010 – December 31, 2010	CAD/USD	1.094	Swap	–	(1,610)
Total foreign exchange contracts						756	430
Interest rate contracts							
BA Rate	\$50M / year	February 10, 2009 – February 10, 2011	BA – CDOR	1.10%	Swap	(98)	(269)
BA Rate	\$50M / year	February 12, 2009 – February 12, 2011	BA – CDOR	1.10%	Swap	(101)	(201)
BA Rate	\$50M / year	May 28, 2009 – May 28, 2011	BA – CDOR	1.12%	Swap	(32)	(47)
Total interest rate contracts						(231)	(517)
Total financial instruments						6,196	2,309

As at June 30, 2009, a \$0.10 change to the price per thousand cubic feet of natural gas on the contracts outlined above would have a \$0.1 million impact on net income.

As at June 30, 2009, a \$1.00 per barrel change to the price on the oil contract outlined above would have a \$0.5 million impact on net income.

As at June 30, 2009, a \$0.01 change to the exchange rate on the foreign exchange contracts would have a \$0.4 million impact on net income.

As at June 30, 2009, a 0.1% change to the interest rate on the interest rate contracts would have a \$0.2 million impact on net income.

Fair value of financial instruments

The Company's financial instruments as at June 30, 2009 and 2008 include accounts receivable, derivative contracts, accounts payable and accrued liabilities, and bank debt. The fair value of accounts receivable and accounts payable and accrued liabilities approximate their carrying amounts due to their short-terms to maturity.

The fair value of derivative contracts is determined by discounting the difference between the contracted price and published forward price curves as at the balance sheet date, using the remaining contracted notional volumes.

Bank debt bears interest at a floating market rate and accordingly the fair market value approximates the carrying value.

8. CAPITAL MANAGEMENT:

The Company considers its capital structure to include working capital, bank debt, and shareholders' equity. Crew's primary capital management objective is to maintain a strong balance sheet in order to continue to fund the future growth of the Company. Crew monitors its capital structure and makes adjustments on an on-going basis in order to maintain the flexibility needed to achieve the Company's

long-term objectives. To manage the capital structure the Company may adjust capital spending, hedge future revenue and costs, issue new equity, issue new debt or repay existing debt through asset sales.

The Company monitors debt levels based on the ratio of net debt to annualized funds from operations. The ratio represents the time period it would take to pay off the debt if no further capital expenditures were incurred and if funds from operations remained constant. This ratio is calculated as net debt, defined as outstanding bank debt and net working capital, divided by annualized funds from operations for the most recent quarter.

The Company monitors this ratio and endeavours to maintain it at or below 2.0 to 1.0 in a normalized commodity price environment. This ratio may increase at certain times as a result of acquisitions or low commodity prices. As shown below, as at June 30, 2009, the Company's ratio of net debt to annualized funds from operations was 2.28 to 1 (December 31, 2008 – 2.15 to 1). This amount has risen above the preferred range of the Company as a result of the decrease in commodity prices experienced over the past nine months.

	June 30, 2009	December 31, 2008
Net debt:		
Accounts receivable	\$ 28,518	\$ 42,800
Accounts payable and accrued liabilities	(35,948)	(74,622)
Working capital deficiency	\$ (7,430)	\$ (31,822)
Bank loan	(174,928)	(223,628)
Net debt	\$ (182,358)	\$ (255,450)
Annualized funds from operations:		
Cash provided by operating activities	\$ 21,517	\$ 25,700
Asset retirement expenditures	181	152
Transportation liability charge	329	328
Change in non-cash working capital	(1,991)	3,466
Funds from operations	20,036	29,646
Annualized	\$ 80,144	\$ 118,584
Net debt to annualized funds from operations	2.28	2.15

In order to restore the Company's financial flexibility Crew will execute a conservative capital spending program in 2009 currently estimated at \$80 million. The Company has added commodity, interest rate and foreign exchange hedging for 2009 and 2010 to provide support for its funds from operations and assist in funding its capital expenditure program. On May 28, 2009, the Company closed a bought deal equity financing for aggregate gross proceeds of \$43.4 million. In addition, in 2009 the Company has disposed of non-core properties for net proceeds of \$34.4 million. The Company may also consider the sale of additional non-core assets and will consider other forms of financing to improve the Company's financial position if cash flow does not adequately fund the programs planned to achieve the Company's long term objectives.

There has been no change in the Company's approach to capital management during the period ended June 30, 2009.

9. SUPPLEMENTAL CASH FLOW INFORMATION:

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Changes in non-cash working capital:				
Accounts receivable	\$ 3,335	\$ 154	\$ 14,282	\$ (6,180)
Accounts payable and accrued liabilities	(8,561)	(8,726)	(38,674)	(2,811)
	\$ (5,226)	\$ (8,572)	\$ (24,392)	\$ (8,991)
Operating activities	\$ 1,991	\$ (1,543)	\$ 5,405	\$ (404)
Investing activities	(7,217)	(7,029)	(29,797)	(8,587)
	\$ (5,226)	\$ (8,572)	\$ (24,392)	\$ (8,991)

The Company made the following cash outlays in respect of interest expense:

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Interest	\$ 2,457	\$ 1,099	\$ 4,188	\$ 2,851

10. COMMITMENTS:

The Company has the following fixed term commitments related to its on-going business:

	Total	2009	2010	2011
Operating Leases	\$ 2,227	\$ 495	\$ 990	\$ 742
Capital commitments	10,955	4,455	6,500	-
Firm transportation agreements	17,289	3,499	7,152	6,638
Total	\$ 30,471	\$ 8,449	\$ 14,642	\$ 7,380

The firm transportation commitments were acquired as part of the Company's May 2007 private company acquisition and represent firm service commitments for transportation and processing of natural gas in British Columbia.

CAUTIONARY STATEMENTS

Forward-looking information and statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the forgoing, this news release contains forward-looking information and statements pertaining to the following: the volume and product mix of Crew’s oil and gas production; future oil and natural gas prices and Crew’s commodity risk management programs; future liquidity and financial capacity; future results from operations and operating metrics; future costs, expenses and royalty rates; future interest costs; the exchange rate between the \$US and \$Cdn; future development, exploration, acquisition and development activities and related capital expenditures; the number of wells to be drilled and completed; the amount and timing of capital projects including, without limitation completion of the Septimus gas plant; operating costs; the total future capital associated with development of reserves and resources; and forecast reductions in operating expenses.

Forward-looking statements or information are based on a number of material factors, expectations or assumptions of Crew which have been used to develop such statements and information but which may prove to be incorrect. Although Crew believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Crew can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; the timely receipt of any required regulatory approvals; the ability of Crew to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which Crew has an interest in to operate the field in a safe, efficient and effective manner; the ability of Crew to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Crew to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Crew operates; and the ability of Crew to successfully market its oil and natural gas products.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements; including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Crew’s products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Crew or by third party operators of Crew’s properties, increased debt levels or debt service requirements; inaccurate estimation of Crew’s oil and gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of inadequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Crew’s public disclosure documents, (including, without limitation, those risks identified in this news release and Crew’s Annual Information Form).

The forward-looking information and statements contained in this news release speak only as of the date of this news release, and Crew does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Discovered Petroleum Initially in Place

This press release contains references to estimates of gas classified as Discovered Petroleum initially in Place (DPIP) in the Company’s Septimus area in British Columbia which are not, and should not be confused with oil and gas reserves. “Discovered Petroleum Initially in Place” is defined in the Canadian Oil and Gas Evaluation Handbook (the “COGE Handbook”) as the quantity of hydrocarbons that are estimated, as of a given date, to be contained in known accumulations. DPIP is divided into recoverable and unrecoverable portions, with the estimated future recoverable portion classified as reserves and contingent resources. There is no certainty that it will be commercially viable or

technically feasible to produce any portion of this discovered petroleum initially in place except to the extent identified as proved or probable reserves. Resources do not constitute, and should not be confused with, reserves.

There are a number of assumptions associated with the development of the Company's lands at Septimus relating to performance from new and existing wells, future drilling programs, the lack of infrastructure, well density per section, recovery factors and development necessarily involves known and unknown risks and uncertainties, including those risks identified in this press release.

BOE equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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TRANSFER AGENT

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EXCHANGE LISTING

Toronto Stock Exchange

Stock Symbol: CR

ABBREVIATIONS

bbl barrels

bbl/d barrels per day

bcf billion cubic feet

boe barrels of oil equivalent
(6 mcf: 1 bbl)

bopd barrels of oil per day

mmbtu million British thermal units

mboe thousand barrels of oil
equivalent (6 mcf: 1 bbl)

mmboe million barrels of oil equivalent
(6 mcf: 1 bbl)

mcf thousand cubic feet

mcf/d thousand cubic feet per day

mmcf million cubic feet

mmcf/d million cubic feet per day

ngl natural gas liquids



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