



IMPROVED FOCUS

ON LOW-RISK-DEVELOPMENT REPEATABLE PLAYS



EnerCom 11th Oil & Gas Conference

August 15, 2006

Forest Oil Corporation Snapshot

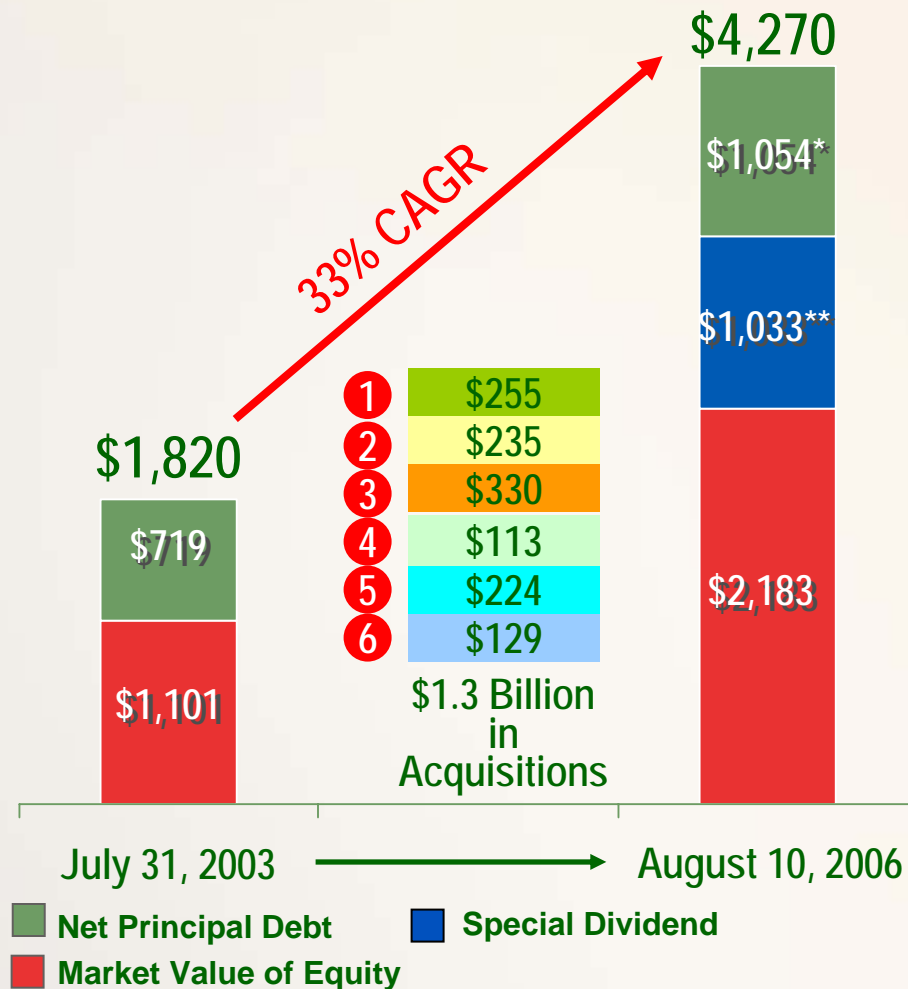
Fully Diluted Shares Outstanding (<i>MM</i>)	63.5
Equity Market Capitalization (8/10/06 <i>\$MM</i>)	2,183
Net Debt (6/30/06 <i>\$MM</i>)	1,054
Enterprise Value (<i>\$MM</i>)	<u>3,237</u>
Proved Reserves (<i>Bcfe</i>)	1,271
Proved Developed Reserves (<i>Bcfe</i>)	921
Guidance Mid-Point Production (<i>MMcfe/d</i>)	310
R / P Ratio (<i>Years</i>)	11.2



Significant Shareholder Value

Acquisition Summary

	Date	Transaction	Deal Value (\$MM)	Prov. Reserve Value (\$/Mcf)
1	Apr 1, 06	Cotton Valley	255	2.32
2	Apr 1, 05	Buffalo Wallow	235	1.96
3	Jun 30, 04	Wiser Oil Company	330	1.73
4	Dec 31, 03	New Permian	113	1.04
5	Nov 1, 03	Unocal Assets	224	1.62
6		Other	129	1.05
Total			1,286	1.63



* Net debt at 6/30/06

** Value of Mariner shares distributed in transaction with FST not including debt, hedges or ARO



4-Point Strategy

1. Grow organically

- 14% production growth in 2006 (10% organic)
- 12 growth drivers identified
- Exploit "new" portfolio and resource plays to add locations

2. Identify attractive acquisition opportunities

- Tax-efficient acquirer (\$700 MM NOLs and tax pools) with excellent track record
- Target prospect rich assets supported by land and drillsites
- Purchase "complicated assets" which benefit from appropriate technology

3. Reduce costs

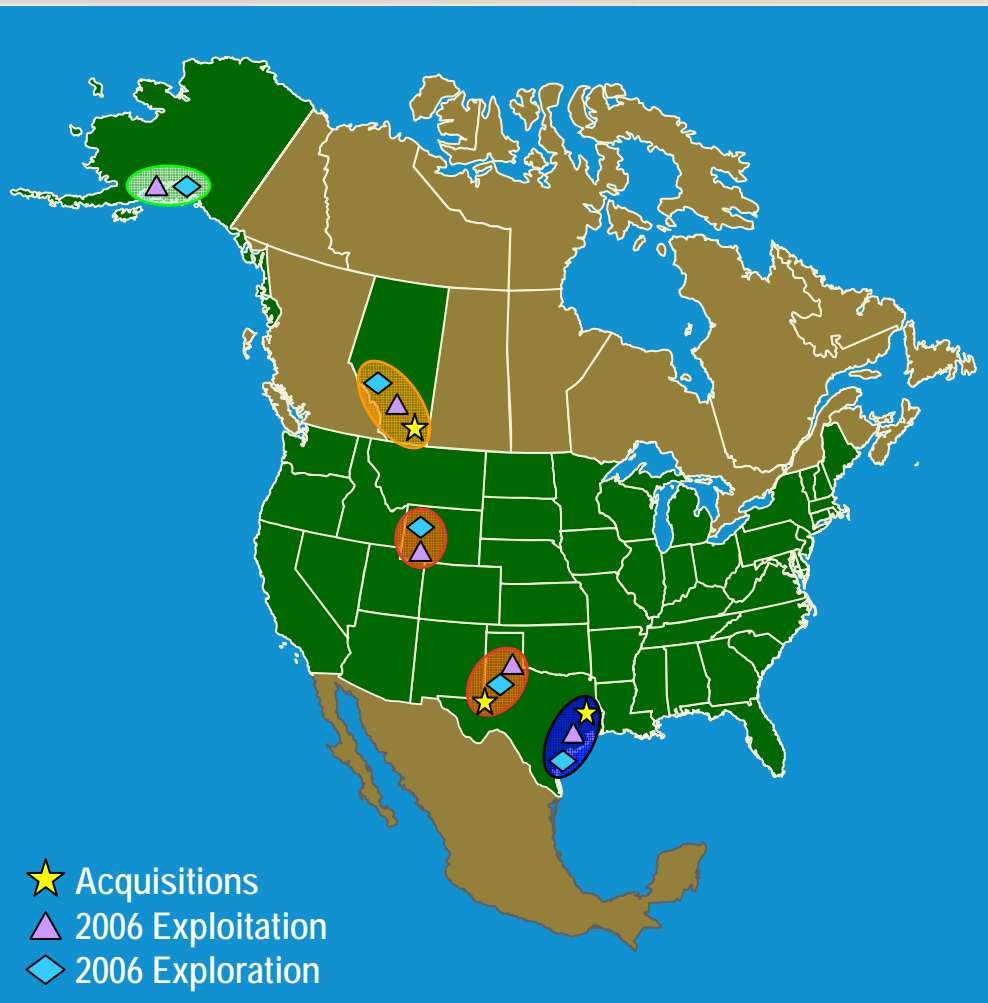
- Remain vigilant in cost control in all areas
- Offset anticipated service costs increases

4. Preserve financial flexibility

- Strong free cash flow generator
- Remain in targeted Net Debt / Book Cap range of 30% - 40%



Forest Oil's Producing Assets



ALASKA 	12/31/05 Reserves (Bcfe)	123
	2006 Est. Production (MMcfe/d)	36
	12/31/05 Net Acreage (M)	1,230
	R/P	9.4

CANADA 	12/31/05 Reserves (Bcfe)	171
	2006 Est. Production (MMcfe/d)	88
	12/31/05 Net Acreage (M)	735
	R/P	5.3

WESTERN 	12/31/05 Reserves (Bcfe)	681
	2006 Est. Production (MMcfe/d)	135
	12/31/05 Net Acreage (M)	255
	R/P	13.8

SOUTHERN 	12/31/05 Reserves (Bcfe)*	296
	2006 Est. Production (MMcfe/d)	51
	12/31/05 Net Acreage (M)*	208
	R/P*	15.7

TOTAL	12/31/05 Reserves (Bcfe)*	1,271
	Proved Developed % Reserves*	72
	2006 Est. Production (MMcfe/d)	310
	12/31/05 Net Acreage (M)*	5,623
	R/P*	11.2

* Pro Forma for the Cotton Valley acquisition



- 100% of December 31, 2005 proved reserves located in North America
- Replaced 281% of production with a FD&A cost of \$2.16 in 2005
- Organically replaced 154% of production
- Organic F&D cost of \$2.35 in 2005



Targeted Acquisition Program

Acquisition	Purchase Price* (\$MM)	Initial Production (MMcfe / d)	Reserves (Bcfe)	\$ Amount Per (Mcfe / Res.)	Net Acreage	Undeveloped Acreage
Unocal	224.0	66	138	1.62	252,000	93,000
New Permian	112.9	25	109	1.04	32,000	5,000
Wiser Oil	330.0	64	191	1.73	388,000	288,000
Buffalo Wallow	235.0	25	120	1.96	33,000	11,000
Cotton Valley	255.0	13	110	2.32	26,000	14,000
Others	129.1	27	123	1.05	100,000	45,000
TOTAL	1,286.0	220	791	1.63	831,000	456,000

- Total F&D cost of \$1.63 on 791 Bcfe of reserves without allocation
- Production per Mcfe/d acquired at \$5,845 with R/P of 10 years
- Primarily proved developed reserves, FST retained upside

* Purchase Price includes original unadjusted cash consideration and debt assumed in connection with the acquisition, and is not equal to the purchase price recorded in purchase accounting



Acquisition Look-Back Summary - 12/31/2005

Unocal, New Permian, Oxy, Minihan, Wisser & Buffalo Wallow

	INVESTMENT (\$MM)	RESERVES (Bcfe)	\$ / Mcfe
Original Acquisition	992	622	1.59
Cash Flow / Production	(410)	(120)	3.42
Special Dividend <i>(Unocal Offshore)*</i>	(364)	(87)	4.18
Subtotal	218	415	0.53
Capital Projects	325	186	1.75
TOTAL Investment	543	601	0.90

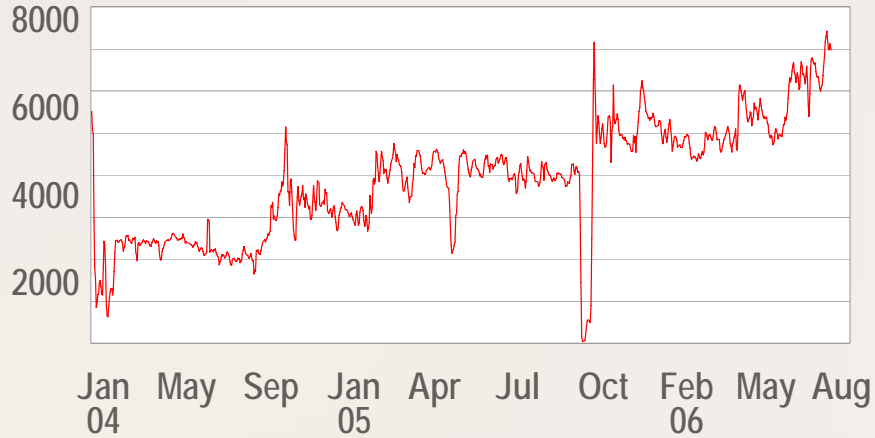
- 78% of original investment paid out with 67% of reserves remaining
- 45% of total investment paid out with 97% of reserves remaining

* Dividend occurred on 3/2/06

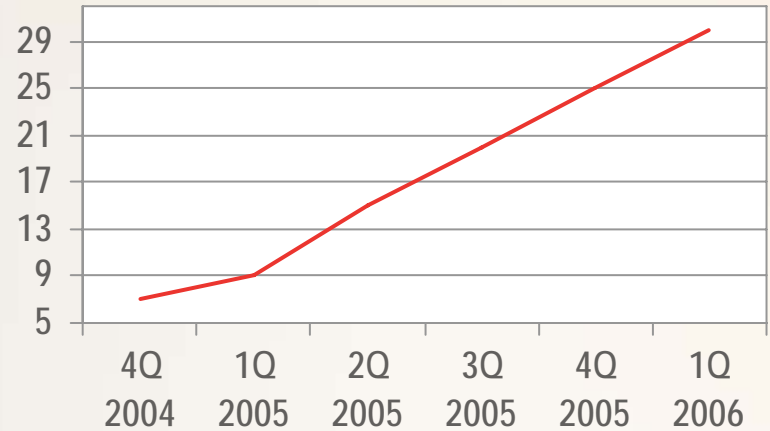


New Permian, Wiser, Minihan & Buffalo Wallow

(Net Mcfe/d) Tex-Mex (New Permian)



(Net MMcfe/d) Wild River (Wiser)



(Net Mcfe/d) Martin (Minihan)



(Net MMcfe/d) Buffalo Wallow



“Up and to the Right”



2006 Growth Areas - "Room to Run"

- The "Big Three"

 - Buffalo Wallow Area

 - Wild River

 - Cotton Valley

- The "Up and Comers"

 - Greater Vermejo/Haley

 - Ansell

 - Onshore Alaska Gas

 - Katy

 - Foothills

- The "Rock Steadies"

 - Evi / Slave Point Oil

 - Central Permian Oil

 - San Juan

 - Rockies

- The "Flyers"

 - International

 - New Ventures (CBM & Shale)

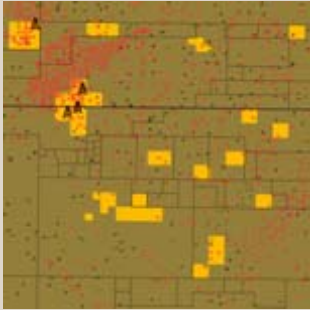
 - Susitna Basin

■ Western ■ Canada ■ Southern ■ Alaska

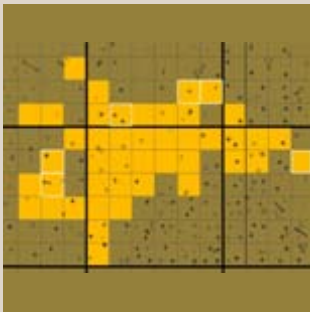


The “Big Three” - Three Defining Growth Drivers

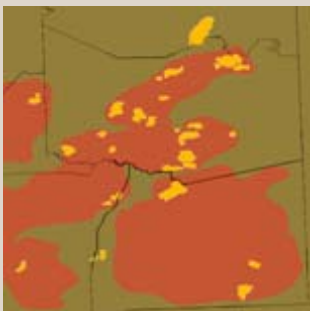
DEVELOPMENT BUILDING BLOCKS FOR 2006 & THE NEXT 5 YEARS



- Greater Buffalo Wallow Area (38,000 acres)
 - 400-500 future drilling opportunities in Texas Panhandle
 - Prolific Granite Wash resource play
 - Deep potential in Atoka and Morrow interval
 - 59 drill locations identified for 2006
 - Reached 37 MMcfe/d in the 2nd quarter 2006



- Wild River (28,800 acres)
 - Appr. 100 future drilling opportunities on multi-zone stacked gas potential in Deep Basin of Alberta
 - Shallow gas exploitation from Cadomin and other Cretaceous sands with deep exploration potential
 - 39 drill locations identified for 2006
 - Reached 32 MMcfe/d in the 2nd quarter 2006

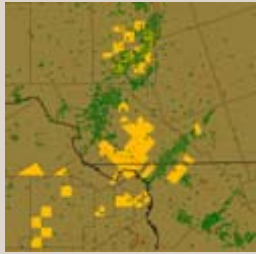


- Cotton Valley (26,000 acres)
 - Acquisition of 110 Bcfe of assets in the Cotton Valley trend in East Texas
 - Over 300 future drilling opportunities
 - 20 drilling locations identified for 2006
 - Reached 15 MMcfe/d in 2nd quarter 2006

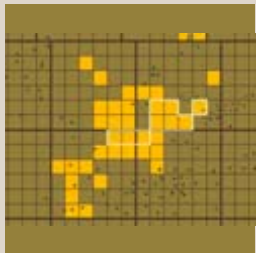


The “Up & Comers” - Emerging Growth Drivers

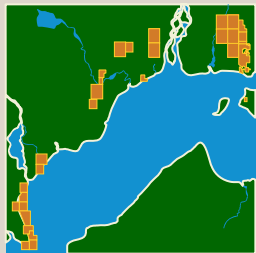
BUILDING BLOCKS FOR BEYOND 2006



- Greater Vermejo/Haley Area (44,000 acres)
 - 3 wells drilled in the field tested at a combined 19 MMcfe/d
 - 6 successful re-entries in the field tested at a combined 20 MMcfe/d
 - 2 re-entries and 1 well drilling with additional activity being contemplated
 - Reached 25 MMcfe/d in the 2nd quarter 2006



- Ansell (23,000 acres)
 - 9 development locations identified for 2006 drilling program
 - Has potential to be the next Wild River



- Onshore Alaska Gas (101,000 acres)
 - Growing inventory with over 25 prospects identified with 3 wells to be drilled in 2006
 - Acreage is 96% undeveloped
 - Increased sales from zero to 11 MMcfe/d in 2005



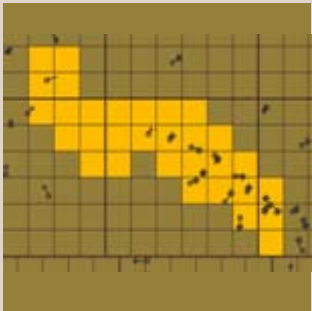
The “Up & Comers” - Emerging Growth Drivers *(continued)*

MORE BUILDING BLOCKS FOR BEYOND 2006

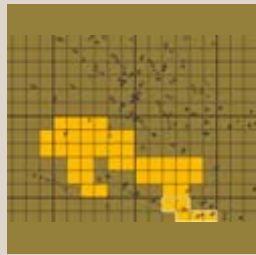


- Katy (33,000 acres)
 - Acquired operatorship of the field
 - Extensive field study on all 131 existing wellbores in progress
 - 122 square miles of 3D seismic coverage
 - 6-10 wells in 2006; 21 wells thereafter pending field study

- Canadian Foothills
 - Palliser (24,000 acres)
 - 2 Palliser wells drilled and currently completing
 - 10 future Cretaceous targets identified
 - Deep sour gas potential
 - Narraway (20,000 acres)
 - Narraway 13-2 completed at 4.8 MMcfe/d; waiting pipeline connection
 - 12 future Cretaceous targets identified
 - Deep sour gas potential
 - Waterton (13,000 acres)
 - 10-30 producing at a rate of 12 MMcfe/d
 - Two follow-up wells planned in 2006

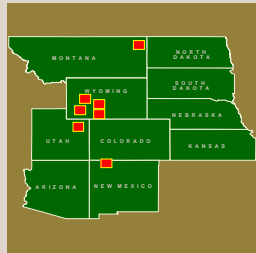


The “Rock Steadies”



NOT FLASHY BUT PREDICTABLE

- Evi / Slave Point Oil (10,600 acres)
 - 3 shallow pilot wells drilled in 2005 tested between 50 Bbls/d and 80 Bbls/d
 - Expand successful 2005 program to 52 identified drilling sites
 - 12 wells to be drilled in 2006
- Central Permian Oil
 - 13 wells drilled in the 2nd quarter
 - Shallow oil IP's ranged from 70-160 Bbls/d
 - Shallow gas IP's ranged from 700-800 Mcfe/d
 - Active drilling program with Forest owned Lantern rigs
 - 10 & 20 acre infill drilling and waterflood potential
- San Juan
 - Currently producing 7 net MMcfe/d with 123 wells planned in 2006
 - Small WI% in large units, both CBM and conventional
- Rockies (197,000 acres)
 - Wild Rose Field infill drilling
 - Jonah Field infill drilling
 - Sunny Hill discovery offsets
 - 25-50 potential locations



Extensive Prospect Inventory — *as of 12/31/05*

KEY GROWTH PLATFORMS	UPSIDE PROJECT INVENTORY	INCREMENTAL NET UNRISKED POTENTIAL (<i>Bcfe</i>)*
Greater Buffalo Wallow Area (Texas Panhandle)	341	209
Wild River	103	64
Cotton Valley (E. Texas Cotton Valley Acquisition)	246	158
Greater Haley / Vermejo Area	25	93
Ansell	9	6
Onshore Alaska Gas	47	243
Katy	21	74
Foothills	37	41
Evi / Slave Point Oil	55	24
Permian Oil	176	225
San Juan	241	5
Rockies	110	154
TOTAL	1,411	1,296

* Does not include proved reserves

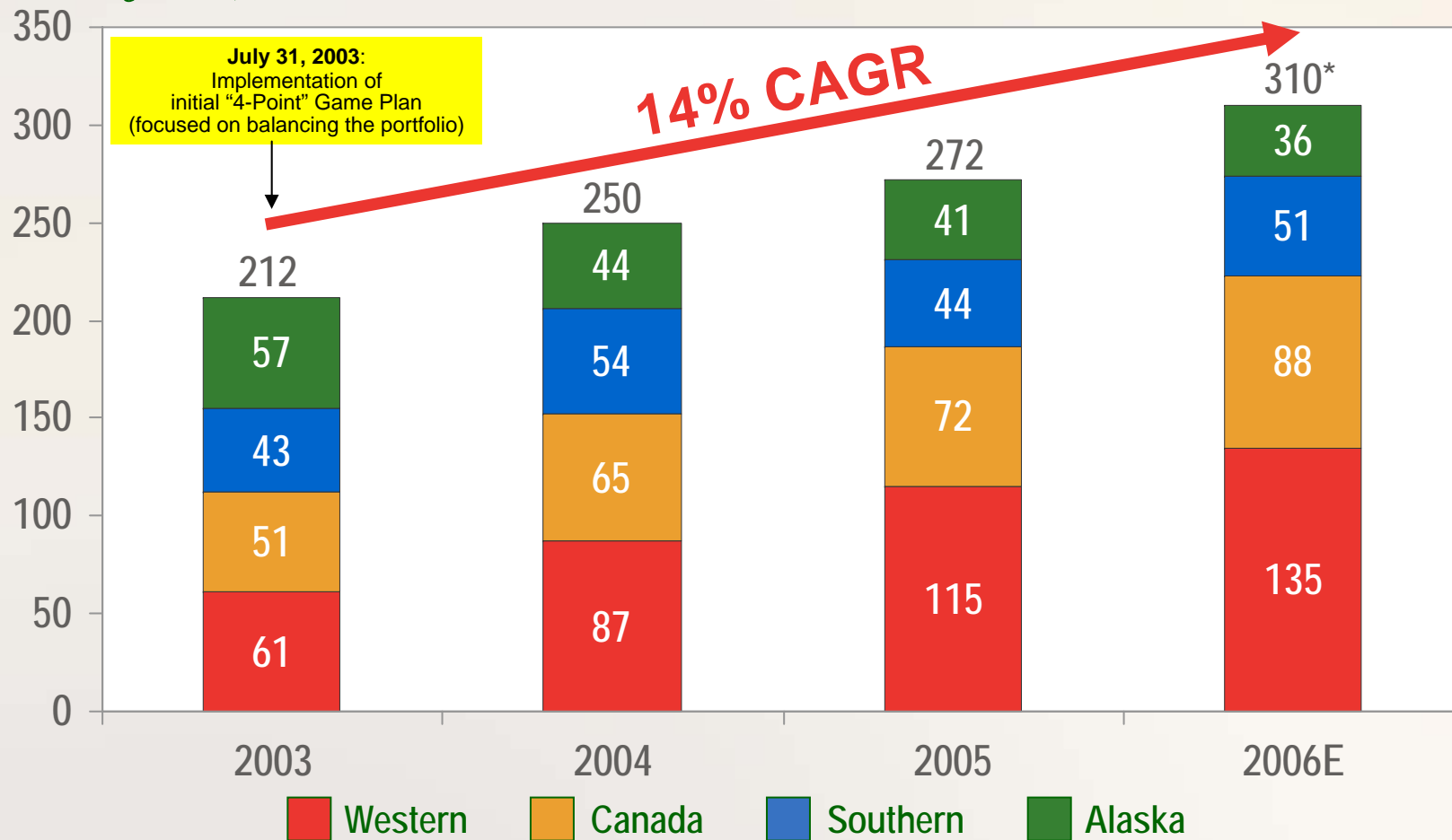
Forest Oil Asset Summary

- "A Dozen Growth Areas"
 - 3 significant near-term growth drivers
 - 5 up and comers on deck for medium term growth
 - 4 rock steady development fields
- Additional Assets
 - Lantern Drilling allows cost efficient program execution
 - Tax attributes allow tax leveraged acquisition structures
 - 3 Flyers aren't valued in the stock
 - Approximately 20,000 acres in Barnett Shale and 45,000 acres in the New Albany Shale
 - Cook Inlet Pipeline permits us to capture significant portion of the cost stream
- Strategy
 - Free cash flow provides acquisition capital
 - Acquisitions supplement drilling program for additional growth



Remainco Production Profile – “We’ve Been Growing Already”

(MMcfe/d)

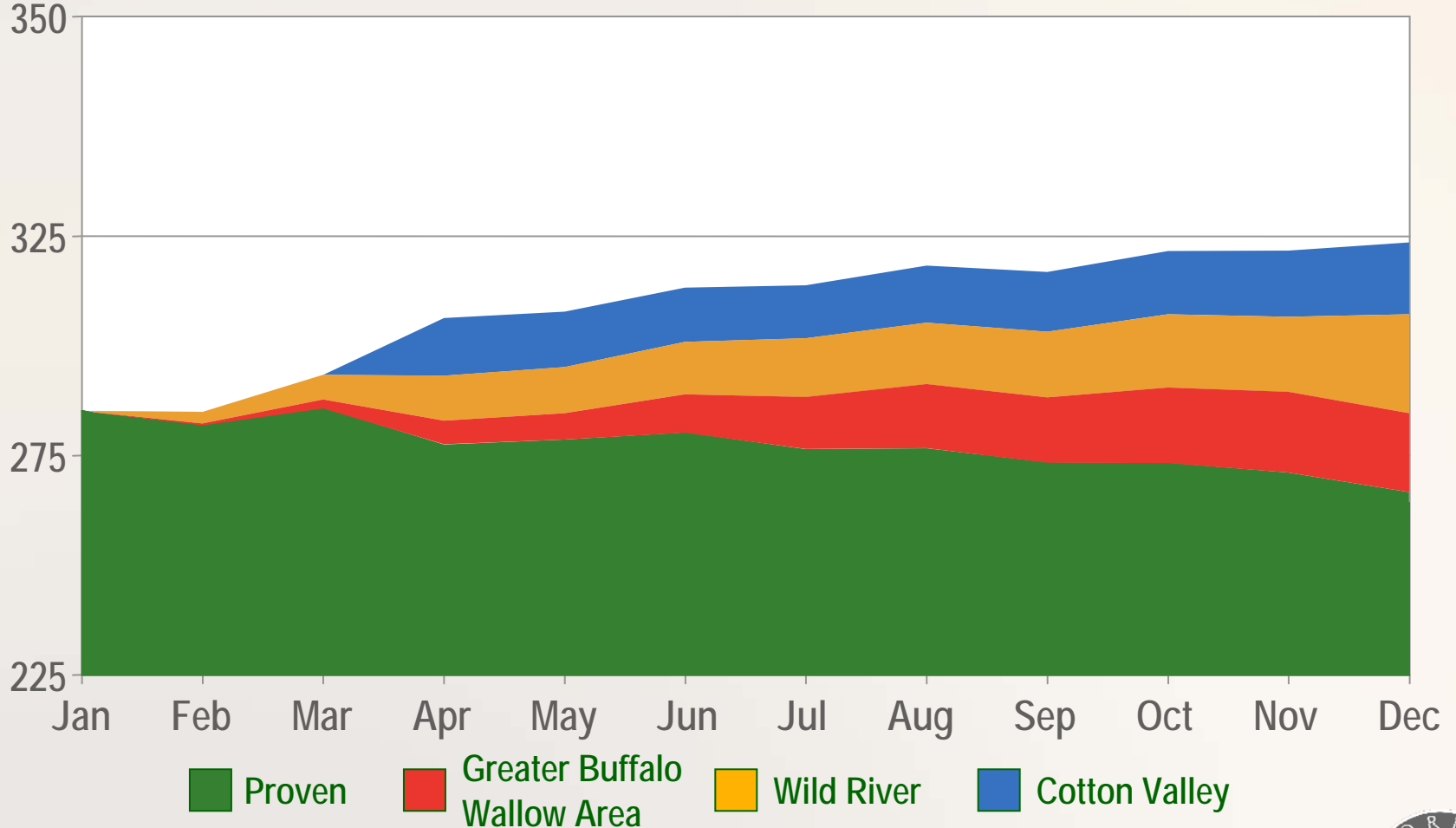


* Mid-point of guidance



Visible Production Growth from The "Big Three"

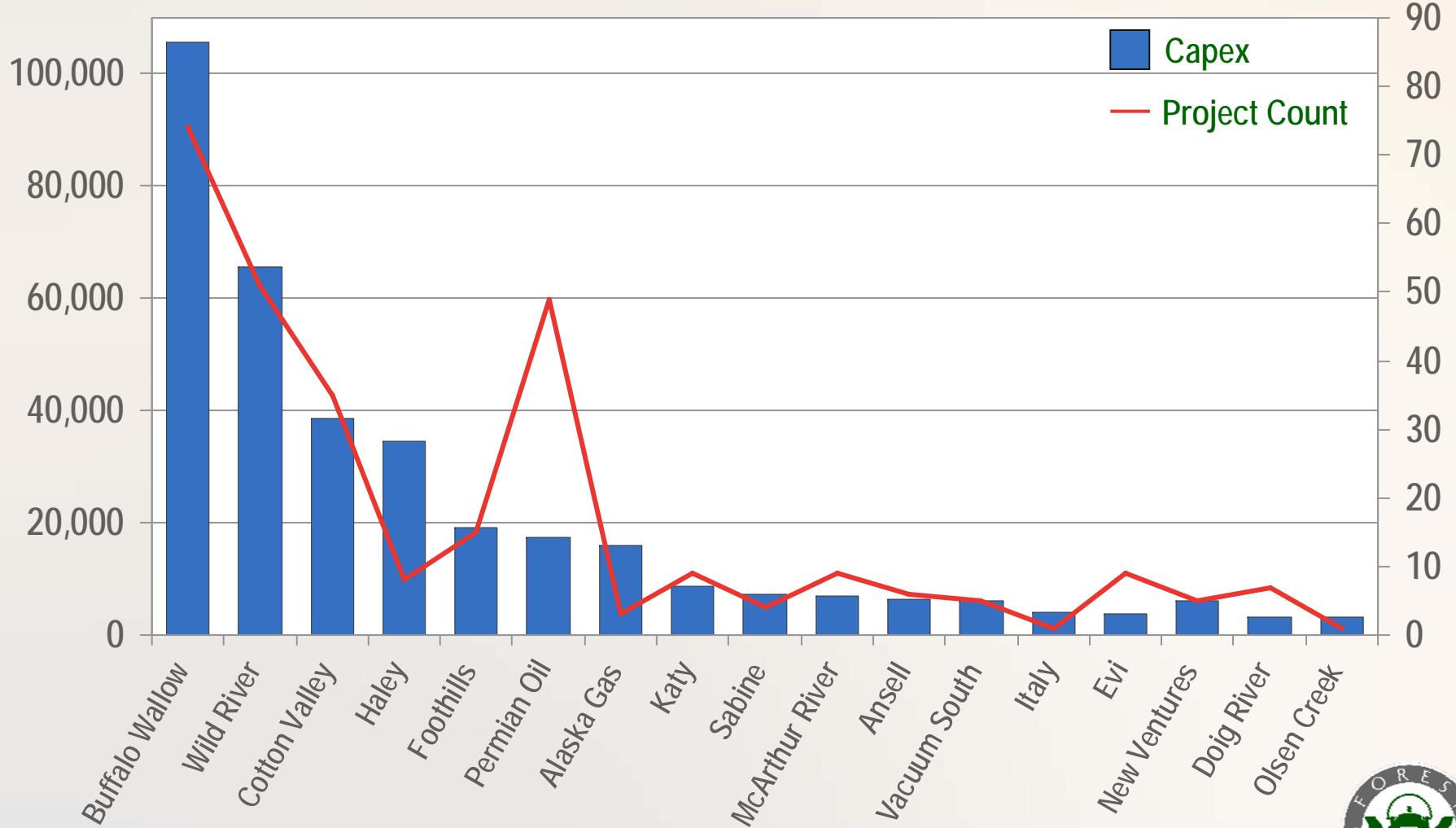
(MMcfe/d)



Capital Program by Field

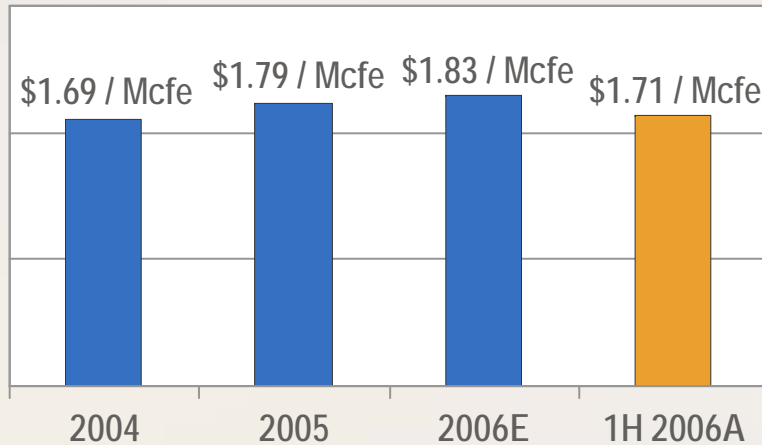
(\$M)

Capital by Field

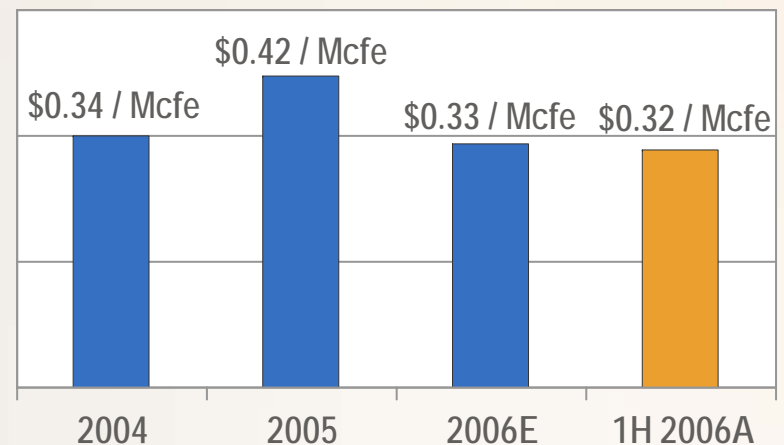


Offset Industry Cost Creep

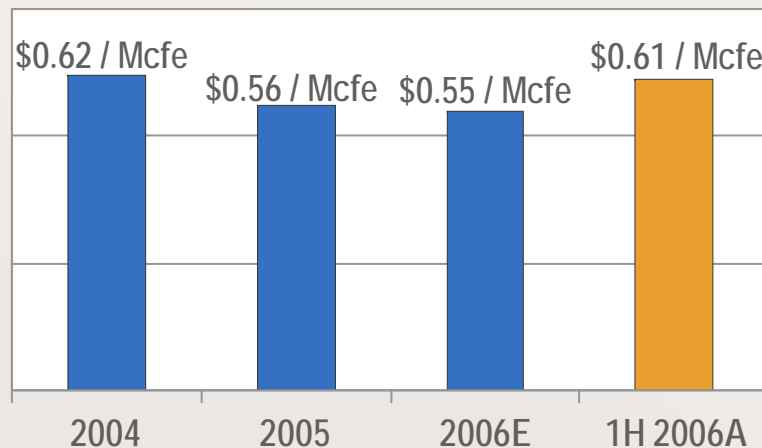
Production Expense



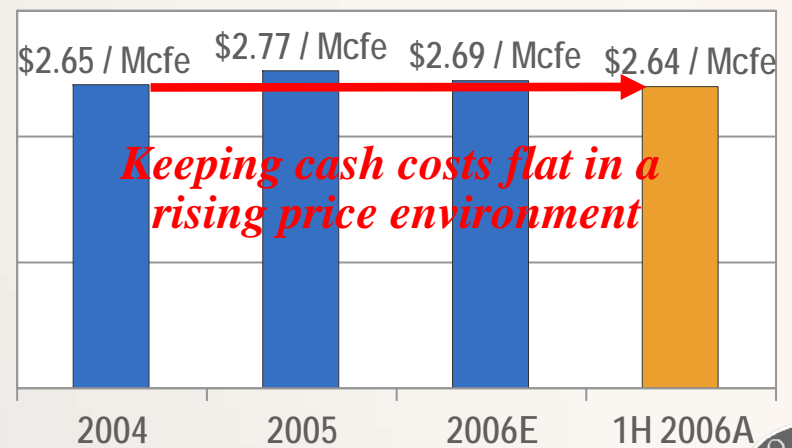
*General and Administrative Expense **



Interest Expense / Cash Taxes



Total Cash Costs



* Does not include equity based compensation



2006 Summary

- Highly visible development drilling inventory with over 400 projects identified in 2006 to generate 14% production growth (10% organic growth)
- Replacement of 2006 production accomplished with Cotton Valley acquisition; drill bit to provide meaningful growth
- Keep DOE flat to offset industry cost pressures
- G&A being controlled following offshore transaction
- Demand free cash flow from Business Units by maintaining capital discipline
- Opportunistically continue successful acquire and exploit program in known areas and trends

*Same Leadership. Same Strategies. Same Discipline.
Improved Focus.*



Cautionary Statements

The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use the terms “probable” and “possible” reserves, reserve “potential” or “upside” or other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC’s guidelines strictly prohibit Forest from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by us. Investors are urged to consider closely the disclosure in Forest’s Form 10-K for fiscal year ended December 31, 2005, available from Forest at 707 17th Street, Suite 3600, Denver, CO 80202, Attention: Investor Relations. You can also obtain this form from the SEC by calling 1-800-SEC-0330.

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, that address activities that Forest assumes, plans, expects, believes, projects, estimates or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements provided in this presentation are based on management's current belief, based on currently available information, as to the outcome and timing of future events. Forest cautions that its future natural gas and liquids production, revenues and expenses and other forward-looking statements are subject to all of the risks and uncertainties normally incident to the exploration for and development and production and sale of oil and gas. These risks include, but are not limited to, price volatility, inflation or lack of availability of goods and services, environmental risks, drilling and other operating risks, regulatory changes, the uncertainty inherent in estimating future oil and gas production or reserves, and other risks as described in Forest's 2005 Annual Report on Form 10-K as filed with the Securities and Exchange Commission. Also, the financial results of Forest's foreign operations are subject to currency exchange rate risks. Any of these factors could cause Forest's actual results and plans to differ materially from those in the forward-looking statements.

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