



Building a Great Portfolio? Start With This Cheap Stock

Description

Canadian Natural Resources ([TSX:CNQ](#))([NYSE:CNQ](#)) produces and sells crude oil, natural gas, and natural gas liquids (NGLs). The company has a [strong commitment](#) to corporate governance, which assures stakeholders that it always operates with the highest levels of integrity and ethical standards. Oil sands mining and upgrading is approximately 36% of total corporate production, averaging over 400,000 barrels per day (bbl/d) of synthetic crude oil (SCO) — an increase of 6% compared to prior-year levels.

Maximizing shareholder value

In 2021, the company's oil sands segment delivered impressive results through a combination of high utilization and operational enhancements. Canadian Natural achieved record-low [annual operating costs](#) of \$20.46 per barrel of SCO — a decrease of \$2.10 per barrel or 9% from prior-year levels. The long-life, zero-decline, high-value nature of the company's assets continue to deliver free cash flow, maximizing value for our shareholders.

Operational synergies

Thermal in situ oil sands operations produced a record of nearly 250,000 bbl/d, which represented approximately 21% of the company's total production in 2020 — an increase of 48% over 2019 levels. This increase was primarily the result of a full year of operatorship at the company's facilities as well as increased production. The company reported that thermal in situ operating costs decreased by 13% to \$9.44/bbl compared to 2019 levels, primarily as a result of operational synergies and higher production levels, offset by higher fuel costs.

Novel technologies

In addition, Canadian Natural continues to see positive results from the company's on-going solvent enhanced oil recovery technology pilot, targeting increased bitumen production, a reduction in the

steam-to-oil ratio of up to 50%, a reduction of greenhouse gas emissions (GHG) intensity of up to 50%, and a high solvent recovery. The company monitors results of the pilot throughout 2021 and believes that this technology has the potential for application throughout the company's extensive thermal in situ asset base.

Strategic decision-making

Further, Canadian Natural's North American exploration & production (E&P) operations include crude oil, natural gas, and NGL-producing assets and represents approximately 40% of the company's total barrels of oil equivalent (BOE) production in 2020. These assets delivered over 200,000 bbl/d of liquids production — a decrease of 11% from 2019 levels as a result of natural declines and strategic decisions to limit capital investment.

Opportunistic expansion

Recent strengthening of natural gas prices has created an opportunity for Canadian Natural to capitalize on the company's deep inventory of high-quality natural gas opportunities. Strong base production, highly economic volumes additions, and acquired production has resulted in significant exit rate volume for the company.

Long-life, low-decline assets

The company's international operations have decreased primarily as a result of natural declines. Overall, Canadian Natural's portfolio of assets underpinned by a significant base of long-life, low-decline assets, combined with the company's flexible, high-value E&P assets making it a truly unique, sustainable, and robust company.

Culture of continuous improvement

Also, the company remains well positioned to continue to deliver effective and efficient operations and top-tier operational results. Canadian Natural appears committed to sustainable, growing returns to shareholders and reducing the company's environmental footprint through innovative technology and a culture of continuous improvement.

CATEGORY

1. Energy Stocks
2. Investing

POST TAG

1. canada

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)

2. TSX:CNQ (Canadian Natural Resources Limited)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Energy Stocks
2. Investing

Tags

1. canada

Date

2025/08/23

Date Created

2021/07/16

Author

nikhilwaterloo

default watermark

default watermark