

STATEMENTS

Condensed Consolidated Balance Sheets

(CDN\$ thousands) unaudited

| | Note | March 31, 2014 | December 31, 2013 |
|--|------|---------------------|---------------------|
| Assets | | | |
| Current assets | | | |
| Cash | | \$ 5,737 | \$ 2,990 |
| Accounts receivable | 3 | 198,623 | 165,091 |
| Deferred income tax asset | | 59,044 | 48,476 |
| Deferred financial assets | 14 | 13,178 | 9,198 |
| Other current assets | | 6,472 | 7,641 |
| | | 283,054 | 233,396 |
| Property, plant and equipment: | | | |
| Oil and natural gas properties (full cost method) | 4 | 2,456,071 | 2,420,144 |
| Other capital assets, net | 4 | 20,262 | 21,210 |
| Property, plant and equipment | | 2,476,333 | 2,441,354 |
| Goodwill | | 616,206 | 609,975 |
| Deferred income tax asset | | 338,514 | 364,411 |
| Deferred financial assets | 14 | 25,710 | 19,274 |
| Marketable securities | 5 | – | 13,389 |
| Total Assets | | \$ 3,739,817 | \$ 3,681,799 |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable | 6 | \$ 362,223 | \$ 377,157 |
| Dividends payable | | 18,349 | 18,250 |
| Current portion of long-term debt | 7 | 50,623 | 48,713 |
| Deferred financial credits | 14 | 54,256 | 37,031 |
| | | 485,451 | 481,151 |
| Long-term debt | 7 | 975,834 | 976,585 |
| Asset retirement obligation | 8 | 291,255 | 291,761 |
| | | 1,267,089 | 1,268,346 |
| Total Liabilities | | 1,752,540 | 1,749,497 |
| Shareholders' Equity | | | |
| Share capital – authorized unlimited common shares, no par value | | | |
| Issued and outstanding: March 31, 2014 – 204 million shares | | | |
| December 31, 2013 – 203 million shares | 13 | 3,081,770 | 3,061,839 |
| Paid-in capital | 13 | 40,338 | 38,398 |
| Accumulated deficit | | (1,132,136) | (1,117,238) |
| Accumulated other comprehensive income/(loss) | | (2,695) | (50,697) |
| | | 1,987,277 | 1,932,302 |
| Total Liabilities & Equity | | \$ 3,739,817 | \$ 3,681,799 |

Contingencies

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See accompanying notes to the Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss)

| Three months ended March 31 (CDN\$ thousands) unaudited | Note | 2014 | 2013 |
|---|------|------------|-------------|
| Revenues | | | |
| Oil and natural gas sales, net of royalties | 9 | \$ 407,740 | \$ 313,381 |
| Commodity derivative instruments gain/(loss) | 14 | (32,597) | (27,055) |
| | | 375,143 | 286,326 |
| Expenses | | | |
| Operating | | 89,081 | 81,345 |
| Production taxes | | 19,872 | 14,622 |
| Transportation | | 13,109 | 7,197 |
| General and administrative | 13 | 29,123 | 31,209 |
| Depletion, depreciation, amortization and accretion | | 132,180 | 146,223 |
| Interest | 10 | 15,179 | 14,436 |
| Foreign exchange (gain)/loss | 11 | 1,469 | 4,352 |
| Other expense/(income) | | 2,912 | 128 |
| | | 302,925 | 299,512 |
| Income/(Loss) Before Taxes | | 72,218 | (13,186) |
| Current income tax expense/(recovery) | 12 | 7,678 | 1,307 |
| Deferred income tax expense/(recovery) | 12 | 24,503 | 1,904 |
| Net Income/(Loss) | | \$ 40,037 | \$ (16,397) |
| Other Comprehensive Income/(Loss) | | | |
| Changes due to marketable securities (net of tax) | | | |
| Unrealized gain/(loss) | | (145) | 515 |
| Realized (gain)/loss reclassified to net income | | 2,503 | (190) |
| Change in cumulative translation adjustment | | 45,644 | 20,853 |
| Other Comprehensive Income/(Loss) | | 48,002 | 21,178 |
| Total Comprehensive Income/(Loss) | | \$ 88,039 | \$ 4,781 |
| Net Income/(Loss) per Share | | | |
| Basic | | \$ 0.20 | \$ (0.08) |
| Diluted | | \$ 0.19 | \$ (0.08) |

See accompanying notes to the Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Changes in Shareholders' Equity

Three months ended March 31 (CDN\$ thousands) unaudited

| | 2014 | 2013 |
|--|---------------------|---------------------|
| Share Capital | | |
| Balance, beginning of year | \$ 3,061,839 | \$ 2,997,682 |
| Stock Option Plan – cash | 6,138 | 21 |
| Stock Option Plan – non-cash | 1,012 | 2 |
| Stock Dividend Plan | 12,781 | 10,106 |
| Balance, end of period | \$ 3,081,770 | \$ 3,007,811 |
| Paid-in Capital | | |
| Balance, beginning of year | \$ 38,398 | \$ 32,293 |
| Stock Option Plan – exercised | (1,012) | (2) |
| Share-based compensation – non-cash | 2,952 | 2,527 |
| Balance, end of period | \$ 40,338 | \$ 34,818 |
| Accumulated Deficit | | |
| Balance, beginning of year | \$ (1,117,238) | \$ (948,350) |
| Net income/(loss) | 40,037 | (16,397) |
| Dividends | (54,935) | (53,785) |
| Balance, end of period | \$ (1,132,136) | \$ (1,018,532) |
| Accumulated Other Comprehensive Income/(Loss) | | |
| Balance, beginning of year | \$ (50,697) | \$ (130,385) |
| Changes due to marketable securities (net of tax) | | |
| Unrealized gain/(loss) | (145) | 515 |
| Realized (gain)/loss reclassified to net income | 2,503 | (190) |
| Change in cumulative translation adjustment | 45,644 | 20,853 |
| Balance, end of period | \$ (2,695) | \$ (109,207) |
| Total Shareholders' Equity | \$ 1,987,277 | \$ 1,914,890 |

See accompanying notes to the Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Cash Flows

Three months ended March 31 (CDN\$ thousands) unaudited

| | Note | 2014 | 2013 |
|--|------|-----------------|------------------|
| Operating Activities | | | |
| Net income/(loss) | | \$ 40,037 | \$ (16,397) |
| Non-cash items add/(deduct): | | | |
| Depletion, depreciation, amortization and accretion | | 132,180 | 146,223 |
| Changes in fair value of derivative instruments | 14 | 6,809 | 34,054 |
| Deferred income tax expense/(recovery) | 12 | 24,503 | 1,904 |
| Foreign exchange (gain)/loss on debt and working capital | 11 | 10,987 | 4,320 |
| Share-based compensation | 13 | 2,952 | 2,527 |
| Amortization of debt issue costs | 10 | 246 | 185 |
| Asset disposition (gain)/loss | 5 | 2,798 | (217) |
| Asset retirement obligation expenditures | 8 | (4,292) | (3,378) |
| Changes in non-cash operating working capital | 17 | (75,810) | (7,987) |
| Cash flow from operating activities | | 140,410 | 161,234 |
| Financing Activities | | | |
| Proceeds from the issuance of shares | | 6,138 | 21 |
| Cash dividends | 13 | (42,154) | (43,679) |
| Change in bank debt | | (30,570) | 55,419 |
| Changes in non-cash financing working capital | | 101 | 70 |
| Cash flow from financing activities | | (66,485) | 11,831 |
| Investing Activities | | | |
| Capital expenditures | | (218,193) | (174,376) |
| Property and land acquisitions | | (9,969) | (3,967) |
| Property dispositions | | 117,225 | 1,331 |
| Sale of marketable securities | 5 | 13,300 | 1,883 |
| Changes in non-cash investing working capital | | 24,677 | 10,723 |
| Cash flow from investing activities | | (72,960) | (164,406) |
| Effect of exchange rate changes on cash | | 1,782 | (1,306) |
| Change in cash | | 2,747 | 7,353 |
| Cash, beginning of period | | 2,990 | 5,200 |
| Cash, end of period | | \$ 5,737 | \$ 12,553 |

See accompanying notes to the Condensed Consolidated Financial Statements

NOTES

Notes to Condensed Consolidated Financial Statements

(unaudited)

1) REPORTING ENTITY

These interim Condensed Consolidated Financial Statements ("interim Consolidated Financial Statements") and notes present the financial position and results of Enerplus Corporation ("The Company" or "Enerplus") including its Canadian and U.S. subsidiaries. Enerplus is a North American crude oil and natural gas exploration and development company. Enerplus is publicly traded on the Toronto and New York stock exchanges under the ticker symbol ERF. Enerplus' head office is located in Calgary, Alberta, Canada. The interim Consolidated Financial Statements were authorized for issue by the Board of Directors on May 8, 2014.

2) BASIS OF PREPARATION

Enerplus' interim Consolidated Financial Statements present its results of operations and financial position under accounting principles generally accepted in the United States of America ("U.S. GAAP") for the three months ended March 31, 2014, and the 2013 comparative periods. These interim Consolidated Financial Statements do not include all the necessary annual disclosures as prescribed under U.S. GAAP and should be read in conjunction with Enerplus' audited Consolidated Financial Statements as of December 31, 2013. There are no differences in the use of estimates or judgments between these interim Consolidated Financial Statements and the audited Consolidated Financial Statements and notes thereto for the year ended December 31, 2013.

3) ACCOUNTS RECEIVABLE

| (\$ thousands) | March 31, 2014 | December 31, 2013 |
|---------------------------------|----------------|-------------------|
| Accrued receivables | \$ 160,877 | \$ 122,482 |
| Accounts receivable – trade | 39,056 | 36,034 |
| Current income tax receivable | 1,488 | 9,371 |
| Allowance for doubtful accounts | (2,798) | (2,796) |
| Total accounts receivable | \$ 198,623 | \$ 165,091 |

4) PROPERTY, PLANT AND EQUIPMENT ("PP&E")

| As at March 31, 2014 (\$ thousands) | Cost | Accumulated Depletion and Depreciation | Net Book Value |
|--|---------------|--|----------------|
| Oil and natural gas properties | \$ 11,740,890 | \$ 9,284,819 | \$ 2,456,071 |
| Other capital assets | 90,735 | 70,473 | 20,262 |
| Total PP&E | \$ 11,831,625 | \$ 9,355,292 | \$ 2,476,333 |

| As at December 31, 2013 (\$ thousands) | Cost | Accumulated Depletion and Depreciation | Net Book Value |
|---|---------------|--|----------------|
| Oil and natural gas properties | \$ 11,481,207 | \$ 9,061,063 | \$ 2,420,144 |
| Other capital assets | 89,818 | 68,608 | 21,210 |
| Total PP&E | \$ 11,571,025 | \$ 9,129,671 | \$ 2,441,354 |

5) MARKETABLE SECURITIES

During the three months ended March 31, 2014 Enerplus sold the balance of its publicly listed investments for proceeds of \$13.3 million recognizing a loss of \$2.8 million. In connection with these sales, realized losses of \$2.5 million net of tax (\$2.8 million before tax) were reclassified from accumulated other comprehensive income to net income.

Realized gains and losses are included in other income on the Consolidated Statements of Income/(Loss).

For the three months ended March 31, 2014 the change in fair value of publicly listed investments represented unrealized losses of \$0.1 million net of tax (\$0.2 million before tax). For the three months ended March 31, 2013 the change in fair value of these investments represented unrealized gains of \$0.5 million net of tax (\$0.6 million before tax).

6) ACCOUNTS PAYABLE

| (\$ thousands) | March 31, 2014 | December 31, 2013 |
|--------------------------|----------------|-------------------|
| Accrued payables | \$ 290,710 | \$ 262,117 |
| Accounts payable – trade | 71,513 | 115,040 |
| Total accounts payable | \$ 362,223 | \$ 377,157 |

7) DEBT

| (\$ thousands) | March 31, 2014 | December 31, 2013 |
|----------------------|----------------|-------------------|
| Current: | | |
| Senior notes | \$ 50,623 | \$ 48,713 |
| | 50,623 | 48,713 |
| Long-term: | | |
| Bank credit facility | \$ 186,505 | \$ 214,394 |
| Senior notes | 789,329 | 762,191 |
| | 975,834 | 976,585 |
| Total debt | \$ 1,026,457 | \$ 1,025,298 |

8) ASSET RETIREMENT OBLIGATION

Enbridge has estimated the present value of its asset retirement obligation to be \$291.3 million at March 31, 2014 compared to \$291.8 million at December 31, 2013, based on a total undiscounted liability of \$716.8 million and \$720.6 million, respectively. The asset retirement obligation was calculated using a weighted credit-adjusted risk-free rate of 5.93% (December 31, 2012 – 5.96%).

| (\$ thousands) | Three months ended March 31, 2014 | Year ended December 31, 2013 |
|---|--------------------------------------|---------------------------------|
| Balance, beginning of year | \$ 291,761 | \$ 256,102 |
| Change in estimates | 502 | 44,217 |
| Property acquisition and development activity | 459 | 1,454 |
| Dispositions | (927) | (8,362) |
| Settlements | (4,292) | (16,606) |
| Accretion expense | 3,752 | 14,956 |
| Balance, end of period | \$ 291,255 | \$ 291,761 |

9) OIL AND NATURAL GAS SALES

| | Three months ended March 31 | |
|---|-----------------------------|------------|
| (\$ thousands) | 2014 | 2013 |
| Oil and natural gas sales | \$ 495,024 | \$ 373,425 |
| Royalties ⁽¹⁾ | (87,284) | (60,044) |
| Oil and natural gas sales, net of royalties | \$ 407,740 | \$ 313,381 |

(1) Royalties above do not include production taxes which are reported separately on the Consolidated Statements of Income/(Loss).

10) INTEREST EXPENSE

| (\$ thousands) | Three months ended March 31 | |
|---|-----------------------------|-----------|
| | 2014 | 2013 |
| Realized: | | |
| Interest on bank debt and senior notes | \$ 14,666 | \$ 14,184 |
| Unrealized: | | |
| Cross currency interest rate swap (gain)/loss | 267 | 333 |
| Interest rate swap (gain)/loss | — | (266) |
| Amortization of debt issue costs | 246 | 185 |
| Interest expense | \$ 15,179 | \$ 14,436 |

11) FOREIGN EXCHANGE

| (\$ thousands) | Three months ended March 31 | |
|---|-----------------------------|----------|
| | 2014 | 2013 |
| Realized: | | |
| Foreign exchange (gain)/loss | \$ 50 | \$ 2,732 |
| Unrealized: | | |
| Translation of U.S. dollar debt and working capital (gain)/loss | 10,987 | 4,320 |
| Cross currency interest rate swap (gain)/loss | (1,245) | (1,012) |
| Foreign exchange derivatives (gain)/loss | (8,323) | (1,688) |
| Foreign exchange (gain)/loss | \$ 1,469 | \$ 4,352 |

12) INCOME TAXES

| (\$ thousands) | Three months ended March 31 | |
|---------------------------------|-----------------------------|-------------|
| | 2014 | 2013 |
| Current tax expense/(recovery) | | |
| Canada | \$ (184) | \$ 4 |
| United States | 7,862 | 1,303 |
| Current tax expense/(recovery) | 7,678 | 1,307 |
| Deferred tax expense/(recovery) | | |
| Canada | \$ 1,687 | \$ (12,469) |
| United States | 22,816 | 14,373 |
| Deferred tax expense/(recovery) | \$ 24,503 | \$ 1,904 |
| Income tax expense/(recovery) | \$ 32,181 | \$ 3,211 |

The difference between the expected income taxes based on the statutory income tax rate and the effective income taxes for the current and prior period is impacted by the following: expected annual earnings, foreign rate differentials for foreign operations, statutory and other rate differentials, the reversal or recognition of previously unrecognized deferred tax assets, non-taxable portions of capital gains and losses, and non-deductible share-based compensation.

13) SHAREHOLDERS' EQUITY

a) Share Capital

| | Three months ended March 31 | | Year ended December 31 | |
|---|-----------------------------|--------------|------------------------|--------------|
| | 2014 | | 2013 | |
| Authorized unlimited number of common shares Issued: (thousands) | Shares | Amount | Shares | Amount |
| Balance, beginning of year | 202,758 | \$ 3,061,839 | 198,684 | \$ 2,997,682 |
| Issued for cash: | | | | |
| Stock Option Plan | 431 | 6,138 | 1,042 | 14,838 |
| Non-cash: | | | | |
| Stock Option Plan | — | 1,012 | — | 3,108 |
| Stock Dividend Plan | 650 | 12,781 | 3,032 | 46,211 |
| Balance, end of period | 203,839 | \$ 3,081,770 | 202,758 | \$ 3,061,839 |

b) Dividends

| (\$ thousands) | Three months ended March 31 | |
|---------------------------|-----------------------------|-----------|
| | 2014 | 2013 |
| Cash dividends | \$ 42,154 | \$ 43,679 |
| Stock dividends | 12,781 | 10,106 |
| Dividends to shareholders | \$ 54,935 | \$ 53,785 |

c) Share-based compensation

The following table summarizes Enerplus' share-based compensation expense, which is included in general and administrative expense on the Consolidated Statements of Income/(Loss):

| (\$ thousands) | Three months ended March 31 | |
|-----------------------------------|-----------------------------|----------|
| | 2014 | 2013 |
| Cash: | | |
| Long-term incentive plans expense | \$ 6,864 | \$ 5,518 |
| Non-Cash: | | |
| Share-based compensation | 2,952 | 2,527 |
| Equity swaps (gain)/loss | (1,222) | (1,515) |
| Share-based compensation expense | \$ 8,594 | \$ 6,530 |

(i) Long-Term Incentive Plans

The following table summarizes the Performance Share Unit ("PSU"), Restricted Share Unit ("RSU") and Director Share Unit ("DSU") activity for the three months ended March 31, 2014 and other information at March 31, 2014:

| For the period ended March 31, 2014 (thousands of units) | PSU | RSU | DSU | Total |
|--|-------|-------|-----|-------|
| Balance, beginning of year | 650 | 821 | 99 | 1,570 |
| Granted | 525 | 775 | 47 | 1,347 |
| Vested | – | (302) | – | (302) |
| Forfeited | (7) | (12) | – | (19) |
| Balance, end of period | 1,168 | 1,282 | 146 | 2,596 |

At March 31, 2014 (in \$ thousands, except for years)

| | | | | | | | | |
|---|----|--------|----|--------|----|-------|----|--------|
| Recognized share-based compensation expense | \$ | 15,428 | \$ | 8,731 | \$ | 2,612 | \$ | 26,771 |
| Unrecognized share-based compensation expense | | 20,053 | | 17,633 | | – | | 37,686 |
| Intrinsic value ⁽¹⁾ | \$ | 35,481 | \$ | 26,364 | \$ | 2,612 | \$ | 64,457 |

| | | | |
|--|-----|-----|---|
| Weighted-average remaining contractual term (years) ⁽²⁾ | 2.0 | 1.6 | – |
|--|-----|-----|---|

(1) Intrinsic value includes estimated performance multipliers with respect to the PSU plan.

(2) DSU awards are paid upon a Director leaving the Board.

Recognized share-based compensation expense represents the aggregate amount of expense recognized to date with respect to these plans. Unrecognized amounts will be recorded to share-based compensation expense over the remaining vesting terms.

For the three months ended March 31, 2014 the Company recorded total compensation costs of \$7.7 million (March 31, 2013 – \$5.5 million) and paid \$11.5 million on settlements in relation to its long-term incentive plans (March 31, 2013 – \$6.5 million).

(ii) Stock Option Plan

The Company did not grant any stock options during the three months ended March 31, 2014. Activity for the respective reporting periods is as follows:

| | Three months ended March 31, 2014 | | Three months ended March 31, 2013 | |
|--|--------------------------------------|---------------------------------------|--------------------------------------|--|
| | Number of Options (thousands) | Weighted Average Exercise Price | Number of Options (thousands) | Weighted Average Exercise Price ⁽¹⁾ |
| Options outstanding, beginning of year | 13,414 | \$ 18.65 | 10,768 | \$ 22.11 |
| Granted ⁽¹⁾ | – | – | 5,802 | 13.96 |
| Exercised | (431) | 14.23 | (1) | 14.14 |
| Forfeited | (251) | 21.21 | (265) | 22.17 |
| Options outstanding, end of period | 12,732 | \$ 18.75 | 16,304 | \$ 19.21 |
| Options exercisable, end of period | 6,919 | \$ 21.55 | 4,803 | \$ 25.77 |

(1) The weighted average grant date fair value of options granted for the three months ended March 31, 2013 was \$7.5 million.

At March 31, 2014, 6,919,000 options were exercisable at a weighted average exercise price of \$21.55 with a weighted average remaining contractual term of 4.5 years, giving an aggregate intrinsic value of \$20.3 million (March 31, 2013 – \$0.1 million). The total intrinsic value of options exercised during the period ended March 31, 2014 was \$2.9 million (March 31, 2013 – nil).

At March 31, 2014 the total share-based compensation expense related to non-vested options not yet recognized was \$3.2 million. The expense is expected to be recognized in net income over a weighted-average period of 1.3 years.

d) Paid-in Capital

The following table summarizes the paid-in capital activity for the three months ended March 31, 2014 and the year ended December 31, 2013:

| (\$ thousands) | Three months ended March 31, 2014 | Year ended December 31, 2013 |
|-------------------------------------|--------------------------------------|---------------------------------|
| Balance, beginning of year | \$ 38,398 | \$ 32,293 |
| Stock Option Plan – exercised | (1,012) | (3,108) |
| Share-based compensation – non-cash | 2,952 | 9,213 |
| Balance, end of period | \$ 40,338 | \$ 38,398 |

e) Basic and Diluted Earnings Per Share

Net income/(loss) per share has been determined as follows:

| (thousands, except per share amounts) | Three months ended March 31 | |
|--|-----------------------------|-------------|
| | 2014 | 2013 |
| Net income/(loss) | \$ 40,037 | \$ (16,397) |
| Weighted average shares outstanding – Basic | 203,178 | 199,031 |
| Dilutive impact of share-based compensation ⁽¹⁾ | 2,700 | – |
| Weighted average shares outstanding – Diluted | 205,878 | 199,031 |
| Net income/(loss) per share | | |
| Basic | 0.20 | (0.08) |
| Diluted | 0.19 | (0.08) |

(1) For the three months ended March 31, 2013 options are anti-dilutive as their conversion to shares would not increase the loss per share.

14) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair Value Measurements

At March 31, 2014, the carrying value of cash, accounts receivable, accounts payable, dividends payable and bank credit facilities approximated their fair value due to the short-term maturity of the instruments. Based on Enerplus' assessment of the relative inputs used in the determination of fair value, these instruments are designated as Level 1.

At March 31, 2014 senior notes included in long-term debt had a carrying value of \$840.0 million and a fair value of \$890.2 million (December 31, 2013 – \$810.9 million and \$837.8 million, respectively).

Enerplus' derivative financial instruments are classified as Level 2. A Level 2 classification is appropriate where observable inputs other than quoted market prices are used in the fair value determination.

There were no transfers between fair value hierarchy levels during the period.

b) Derivative Financial Instruments

The deferred financial assets and credits on the Consolidated Balance Sheets result from recording derivative financial instruments at fair value.

The following table summarizes the change in fair value for the three months ended March 31, 2014 and 2013:

| Gain/(Loss) (\$ thousands) | March 31, 2014 | March 31, 2013 | Statement of Income/(Loss) Presentation |
|------------------------------------|----------------|----------------|---|
| Interest Rate Swaps | \$ — | \$ 266 | Interest |
| Cross Currency Interest Rate Swap: | | | |
| Interest | (267) | (333) | Interest |
| Foreign Exchange | 1,245 | 1,012 | Foreign exchange |
| Foreign Exchange Derivatives | 8,323 | 1,688 | Foreign exchange |
| Electricity Swaps | (46) | 409 | Operating |
| Equity Swaps | 1,222 | 1,515 | General and administrative |
| Commodity Derivative Instruments: | | | |
| Oil | (9,393) | (29,577) | Commodity derivative |
| Gas | (7,893) | (9,034) | instruments gain/(loss) |
| Total | \$ (6,809) | \$ (34,054) | |

The following table summarizes the income statement effects of Enerplus' commodity derivative instruments:

| | Three months ended March 31 | |
|--|-----------------------------|-------------|
| (\$ thousands) | 2014 | 2013 |
| Change in fair value gain/(loss) | \$ (17,286) | \$ (38,611) |
| Net realized cash gain/(loss) | (15,311) | 11,556 |
| Commodity derivative instruments gain/(loss) | \$ (32,597) | \$ (27,055) |

The following table summarizes the fair values at the respective period ends:

| | March 31, 2014 | | | December 31, 2013 | | |
|-----------------------------------|----------------|-----------|-------------|-------------------|-----------|-------------|
| | Assets | | Liabilities | Assets | | Liabilities |
| (\$ thousands) | Current | Long-term | Current | Current | Long-term | Current |
| Cross Currency Interest Rate Swap | \$ — | \$ — | \$ 14,570 | \$ — | \$ — | \$ 15,548 |
| Foreign Exchange Derivatives | 1,805 | 22,217 | — | 564 | 15,135 | — |
| Electricity Swaps | — | — | 141 | — | — | 95 |
| Equity Swaps | 3,591 | 3,493 | — | 1,723 | 4,139 | — |
| Commodity Derivative Instruments: | | | | | | |
| Oil | 2,356 | — | 26,581 | 4,138 | — | 18,970 |
| Gas | 5,426 | — | 12,964 | 2,773 | — | 2,418 |
| Total | \$ 13,178 | \$ 25,710 | \$ 54,256 | \$ 9,198 | \$ 19,274 | \$ 37,031 |

c) Risk Management

(i) Market Risk

Market risk is comprised of commodity price, foreign exchange, interest rate and equity price risk.

Commodity Price Risk:

Enerplus manages a portion of commodity price risk through a combination of financial derivative and physical delivery sales contracts. Enerplus' policy is to enter into commodity contracts subject to a maximum of 80% of forecasted production volumes net of royalties and production taxes.

The following tables summarize Enerplus' price risk management positions at April 24, 2014:

Crude Oil Instruments:

| Instrument Type⁽¹⁾ | bbls/day | US\$/bbl |
|--------------------------------------|-----------------|-----------------|
| Apr 1, 2014 – Apr 30, 2014 | | |
| WTI Swap | 23,000 | 93.98 |
| WCS Differential Swap | 2,000 | (21.88) |
| Brent Ratio Spread | 2,000 | 92.20% |
| May 1, 2014 – Jun 30, 2014 | | |
| WTI Swap | 23,000 | 93.98 |
| WCS Differential Swap | 3,000 | (21.00) |
| Brent Ratio Spread | 2,000 | 92.20% |
| July 1, 2014 – Sep 30, 2014 | | |
| WTI Swap | 19,000 | 94.70 |
| WCS Differential Swap | 3,000 | (21.00) |
| Brent Ratio Spread | 2,000 | 92.20% |
| Oct 1, 2014 – Dec 31, 2014 | | |
| WTI Swap | 16,000 | 94.07 |
| WCS Differential Swap | 4,000 | (21.00) |
| Brent Ratio Spread | 2,000 | 92.20% |
| Jan 1, 2015 – Jun 30, 2015 | | |
| WTI Swap | 5,500 | 91.99 |
| Jul 1, 2015 – Dec 31, 2015 | | |
| WTI Swap | 500 | 90.00 |

(1) Transactions with a common term have been aggregated and presented at weighted average price/bbl.

Natural Gas Instruments:

| Instrument Type | MMcf/day | CDNS/Mcf | US\$/Mcf |
|----------------------------|-----------------|-----------------|-----------------|
| Apr 1, 2014 – Jun 30, 2014 | | | |
| AECO Swap | 14.2 | 4.12 | |
| Apr 1, 2014 – Jun 30, 2014 | | | |
| NYMEX Swap | 75.0 | | 4.14 |
| NYMEX Purchased Call | 25.0 | | 4.17 |
| NYMEX Sold Put | 25.0 | | 3.23 |
| NYMEX Sold Call | 25.0 | | 5.00 |
| Jul 1, 2014 – Dec 31, 2014 | | | |
| AECO Swap | 28.4 | 4.25 | |
| NYMEX Swap | 75.0 | | 4.14 |
| NYMEX Purchased Put | 30.0 | | 4.30 |
| NYMEX Purchased Call | 25.0 | | 4.17 |
| NYMEX Sold Put | 25.0 | | 3.23 |
| NYMEX Sold Call | 55.0 | | 5.04 |
| Jan 1, 2015 – Mar 31, 2015 | | | |
| NYMEX Swap | 45.0 | | 4.21 |
| NYMEX Purchased Put | 15.0 | | 4.50 |
| NYMEX Sold Call | 15.0 | | 5.54 |
| Apr 1, 2015 – Dec 31, 2015 | | | |
| NYMEX Swap | 45.0 | | 4.21 |

Electricity Instruments:

| Instrument Type | MWh | CDN\$/MWh |
|--|------|-----------|
| Apr 1, 2014 – Apr 30, 2014 AESO Power Swap ⁽¹⁾ | 18.0 | 52.18 |
| May 1, 2014 – Dec 31, 2014 AESO Power Swap ⁽¹⁾ | 16.0 | 53.33 |
| Jan 1, 2015 – Dec 31, 2015 AESO Power Swap ⁽¹⁾ | 13.0 | 51.08 |

(1) Alberta Electrical System Operator ("AESO") fixed pricing.

Physical Contracts:

| Instrument Type | MMcf/day | US\$/Mcf |
|--|----------|----------|
| Apr 1, 2014 – Oct 31, 2014 AECO-NYMEX Basis | 60.0 | (0.61) |
| Nov 1, 2014 – Oct 31, 2015 AECO-NYMEX Basis | 50.0 | (0.66) |
| Nov 1, 2015 – Oct 31, 2016 AECO-NYMEX Basis | 60.0 | (0.67) |
| Nov 1, 2016 – Oct 31, 2017 AECO-NYMEX Basis | 70.0 | (0.64) |
| Nov 1, 2017 – Oct 31, 2018 AECO-NYMEX Basis | 70.0 | (0.64) |

Foreign Exchange Instruments:

During the three months ended March 31, 2014, Enerplus entered into foreign exchange collars to hedge a portion of its foreign exchange exposure on U.S. dollar denominated oil and gas sales. The following contracts are outstanding at April 24, 2014:

| Instrument Type ⁽¹⁾ | Monthly Notional Amount (US\$ millions) | Floor | Ceiling | Conditional Ceiling ⁽²⁾ |
|--------------------------------|---|--------|---------|------------------------------------|
| Apr 1, 2014 – Dec 31, 2014 | 12.0 | 1.1046 | 1.1558 | 1.1198 |
| Jan 1, 2015 – Dec 31, 2015 | 12.0 | 1.1083 | 1.1900 | 1.1254 |

(1) Transactions with a common term have been aggregated and presented at average USD/CDN foreign exchange rates.

(2) If the US\$/CDN\$ average monthly rate settles above the ceiling rate the settlement amount is determined based on the conditional ceiling.

Foreign Exchange Risk:

Enerplus is exposed to foreign exchange risk in relation to its U.S. operations and U.S. dollar denominated senior notes and working capital. Additionally, Enerplus' crude oil sales and a portion of its natural gas sales are based on U.S. dollar indices. Enerplus manages currency risk relating to its senior notes through the derivative instruments detailed below.

Cross Currency Interest Rate Swap ("CCIRS"):

Concurrent with the issuance of the US\$175 million senior notes on June 19, 2002, Enerplus entered into a CCIRS with a syndicate of financial institutions. Under the terms of the swap, the amount of the notes was fixed for purposes of interest and principal payments at a notional amount of CDN\$268.3 million. Interest payments are made on a floating rate basis, set at the rate for three-month Canadian bankers' acceptances, plus 1.18%. At March 31, 2014 the remaining U.S. dollar denominated principal is fixed at a notional amount of CDN\$53.7 million. The CCIRS matures in June 2014 in conjunction with the final principal repayment on the notes.

Foreign Exchange Derivatives:

During 2007 Enerplus entered into foreign exchange swaps on US\$54.0 million of notional debt at an average US\$/CDN\$ exchange rate of 1.02. At March 31, 2014, following the third settlement, Enerplus had US\$21.6 million of remaining notional debt swapped. These foreign exchange swaps mature between October 2014 and October 2015 in conjunction with the remaining principal repayments on the US\$54.0 million senior notes.

During 2011 Enerplus entered into foreign exchange swaps on US\$175.0 million of notional debt at approximately par. These foreign exchange swaps mature between June 2017 and June 2021 in conjunction with the principal repayments on the US\$225.0 million senior notes.

Interest Rate Risk:

At March 31, 2014, approximately 76% of Enerplus' debt was based on fixed interest rates and 24% was based on floating interest rates. At March 31, 2014 Enerplus did not have any interest rate derivatives outstanding other than the CCIRS mentioned above.

Equity Price Risk:

Enerplus is exposed to equity price risk in relation to its cash settled long-term incentive plans detailed in Note 13.

Enerplus has entered into various equity swaps maturing between 2013 and 2016 and has effectively fixed the future settlement cost on 995,000 shares at a weighted average price of \$14.78 per share.

(ii) Credit Risk

Credit risk represents the financial loss Enerplus would experience due to the potential non-performance of counterparties to its financial instruments. Enerplus is exposed to credit risk mainly through its joint venture, marketing and financial counterparty receivables.

Enerplus mitigates credit risk through credit management techniques, including conducting financial assessments to establish and monitor counterparties' credit worthiness, setting exposure limits, monitoring exposures against these limits and obtaining financial assurances such as letters of credit, parental guarantees, or third party credit insurance where warranted. Enerplus monitors and manages its concentration of counterparty credit risk on an ongoing basis.

Enerplus' maximum credit exposure at the balance sheet date consists of the carrying amount of its non-derivative financial assets and the fair value of its derivative financial assets. At March 31, 2014 approximately 75% of Enerplus' marketing receivables were with companies considered investment grade.

At March 31, 2014 approximately \$2.6 million or 1% of Enerplus' total accounts receivable were aged over 120 days and considered past due. The majority of these accounts are due from various joint venture partners. Enerplus actively monitors past due accounts and takes the necessary actions to expedite collection, which can include withholding production, netting amounts off future payments or seeking other remedies including legal action. Should Enerplus determine that the ultimate collection of a receivable is in doubt, it will provide the necessary provision in its allowance for doubtful accounts with a corresponding charge to earnings. If Enerplus subsequently determines an account is uncollectible the account is written off with a corresponding charge to the allowance account. Enerplus' allowance for doubtful accounts balance at March 31, 2014 was \$2.8 million (December 31, 2013 – \$2.8 million).

(iii) Liquidity Risk & Capital Management

Liquidity risk represents the risk that Enerplus will be unable to meet its financial obligations as they become due. Enerplus mitigates liquidity risk through actively managing its capital, which it defines as debt (net of cash) and shareholders' capital. Enerplus' objective is to provide adequate short and longer term liquidity while maintaining a flexible capital structure to sustain the future development of its business. Enerplus strives to balance the portion of debt and equity in its capital structure given its current oil and natural gas assets and planned investment opportunities. Management monitors a number of key variables with respect to its capital structure, including debt levels, capital spending plans, dividends, access to capital markets, as well as acquisition and divestment activity.

15) CONTINGENCIES

Enerplus is subject to various legal claims and actions arising in the normal course of business. Although the outcome of such claims and actions cannot be predicted with certainty, the Company does not expect these matters to have a material impact on the interim Consolidated Financial Statements. In instances where the Company determines that a loss is probable and the amount can be reasonably estimated, an accrual is recorded.

16) GEOGRAPHICAL INFORMATION

| As at and for the three months ended March 31, 2014 (\$ thousands) | Canada | U.S. | Total |
|--|------------|------------|------------|
| Oil and natural gas sales, net of royalties | \$ 185,966 | \$ 221,774 | \$ 407,740 |
| Plant, property and equipment | 1,086,784 | 1,389,549 | 2,476,333 |
| Goodwill | 451,122 | 165,084 | 616,206 |

| As at and for the three months ended March 31, 2013 (\$ thousands) | Canada | U.S. | Total |
|--|------------|------------|------------|
| Oil and natural gas sales, net of royalties | \$ 163,243 | \$ 150,138 | \$ 313,381 |
| Plant, property and equipment | 1,364,797 | 1,061,363 | 2,426,160 |
| Goodwill | 451,121 | 151,687 | 602,808 |

17) SUPPLEMENTAL CASH FLOW INFORMATION

a) Changes in Non-Cash Operating Working Capital

| (\$ thousands) | Three months ended, March 31, 2014 | Three months ended March 31, 2013 |
|----------------------|---------------------------------------|--------------------------------------|
| Accounts receivable | \$ (37,424) | \$ (3,832) |
| Other current assets | 923 | (987) |
| Accounts payable | (39,309) | (3,168) |
| | \$ (75,810) | \$ (7,987) |

b) Other

| (\$ thousands) | Three months ended, March 31, 2014 | Three months ended, March 31, 2013 |
|------------------------------|---------------------------------------|---------------------------------------|
| Income taxes paid/(received) | \$ (134) | \$ (5,246) |
| Interest paid | \$ 2,383 | \$ 2,874 |