CWC ENERGY SERVICES CORP.

Unaudited Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2020 and 2019

CWC ENERGY SERVICES CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)

Stated in thousands of Canadian dollars	Note	**March 31, 2020**	December 31, 2019
ASSETS			
Current			
Cash		**$ 197**	$ 117
Accounts receivable		**27,834**	23,800
Prepaid expenses and deposits		**1,943**	2,725
		29,974	26,642
Property, plant and equipment	5	**191,136**	216,756
		$ 221,110	$ 243,398
LIABILITIES			
Current			
Accounts payable and accrued liabilities		**6,071**	8,108
Current portion of long-term debt	6	**962**	1,141
		7,033	9,249
Long term			
Deferred tax liability		**6,900**	12,706
Long-term debt	6	**42,375**	39,411
		56,308	61,366
SHAREHOLDERS' EQUITY			
Share capital	7	**257,714**	259,515
Contributed surplus		**16,973**	15,459
Accumulated other comprehensive income (loss)		**1,504**	(730)
Deficit		**(111,389)**	(92,212)
		164,802	182,032
		$ 221,110	$ 243,398

See accompanying notes to the condensed interim consolidated financial statements.

CWC ENERGY SERVICES CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the three months ended March 31, 2020 and 2019
(Unaudited)

Stated in thousands of Canadian dollars except per share amounts	Note	2020	2019
Revenue	11	**$ 33,540**	$ 31,259
Expenses	10		
Direct operating expenses		**23,615**	22,338
Selling and administrative expenses		**4,417**	4,227
Stock based compensation	7	**133**	229
Finance costs		**684**	732
Depreciation and amortization	5	**3,172**	3,734
Loss (gain) on disposal of equipment	5	**1,051**	(22)
Impairment of assets	5	**25,451**	-
		58,523	31,238
Income (loss) before income taxes		**(24,983)**	21
Deferred income tax (recovery) expense		**(5,806)**	68
Net loss		**$ (19,177)**	$ (47)
Other comprehensive income (loss)			
Item that may be reclassified to profit or loss in subsequent periods:			
Unrealized gain (loss) on translation of foreign operations		**2,234**	(2)
Comprehensive loss		**$ (16,943)**	$ (49)
Net loss per share			
Basic and diluted	7	**$ (0.04)**	$ (0.00)

See accompanying notes to the condensed interim consolidated financial statements.

CWC ENERGY SERVICES CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended March 31, 2020 and 2019
(Unaudited)

Stated in thousands of Canadian dollars except share amounts	Note	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total Equity
Balance – January 1, 2019		512,509,291	$ 261,353	$ 13,390	$ -	$ (90,512)	$ 184,231
Net loss		-	-	-	-	(47)	(47)
Stock based compensation expense	7(c)(d)	-	-	229	-	-	229
Settlement of restricted share units	7(d)	277,000	53	(53)	-	-	-
Cancellation of common shares purchased under normal course issuer bid	7(b)	(1,792,000)	(1,046)	676	-	-	(370)
Other comprehensive loss		-	-	-	(2)	-	(2)
Balance – March 31, 2019		510,994,291	$ 260,360	$ 14,242	$ (2)	$ (90,559)	$ 184,041
Balance – January 1, 2020		**510,702,349**	**$ 259,515**	**$ 15,459**	**$ (730)**	**$ (92,212)**	**$ 182,032**
Net loss		**-**	**-**	**-**	**-**	**(19,177)**	**(19,177)**
Stock based compensation expense	7(c)(d)	**-**	**-**	**133**	**-**	**-**	**133**
Settlement of restricted share units	7(d)	**551,000**	**72**	**(72)**	**-**	**-**	**-**
Cancellation of common shares purchased under normal course issuer bid	7(b)	**(3,674,500)**	**(1,873)**	**1,453**	**-**	**-**	**(420)**
Other comprehensive income		**-**	**-**	**-**	**2,234**	**-**	**2,234**
Balance – March 31, 2020		**507,578,849**	**$ 257,714**	**$ 16,973**	**$ 1,504**	**$ (111,389)**	**$ 164,802**

See accompanying notes to the consolidated financial statements.

CWC ENERGY SERVICES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2020 and 2019

(Unaudited)

Stated in thousands of Canadian dollars	Note	**2020**	**2019**
Operating activities:			
Net loss		**$ (19,177)**	$ (47)
Adjustments for:			
Stock based compensation	7	**133**	229
Finance costs		**684**	732
Depreciation and amortization	5	**3,172**	3,734
Impairment of assets	5	**25,451**	-
Loss (gain) on disposal of equipment	5	**1,051**	(22)
Deferred income tax (recovery) expense		**(5,806)**	68
Funds from operations		**5,508**	4,694
Changes in non-cash working capital balances	8	**(5,289)**	(1,246)
Operating cash flow		**219**	3,448
Investing activities:			
Purchase of equipment	5	**(2,805)**	(562)
Proceeds on disposal of equipment		**463**	243
Investing cash flow		**(2,342)**	(319)
Financing activities:			
Increase in (repayment of) long-term debt		**2,951**	(2,244)
Interest paid		**(622)**	(654)
Finance costs paid		**(6)**	-
Lease repayments		**(222)**	(230)
Common shares purchased under NCIB	7	**(420)**	(370)
Financing cash flow		**1,681**	(3,498)
Decrease in cash during the period		**(442)**	(369)
Effect of exchange rate changes on cash and cash equivalents		**522**	(2)
Cash, beginning of period		**117**	508
Cash, end of period		**$ 197**	$ 137

See accompanying notes to the consolidated financial statements.

1. Reporting entity

CWC Energy Services Corp. ("CWC" or the "Company") is incorporated under the Business Corporations Act (Alberta). The address of the Company's head office is Suite 610, 205 – 5th Avenue SW, Calgary, Alberta, Canada. The Company is an oilfield services company providing drilling and production services to oil and gas exploration and development companies throughout the Western Canadian Sedimentary Basin ("WCSB") and the Bakken, Denver-Julesburg ("DJ"), and Eagle Ford basins located in the United States. These consolidated financial statements reflect only the Company's proportionate interests in such activities and are comprised of the Company and its subsidiaries. The Company's common stock is listed and traded on the TSX Venture Exchange under the symbol CWC. Additional information regarding CWC's business is available in CWC's most recent Annual Information Form available on SEDAR at www.sedar.com, on the Company's website www.cwcenergyservices.com, or by contacting the Company at the address noted above.

2. Basis of presentation

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* and do not include all of the information required for annual financial statements and should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended December 31, 2019.

These condensed interim consolidated financial statements were approved by the Board of Directors on April 30, 2020.

(b) Basis of measurement

The condensed interim consolidated financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars. Each of the Company's subsidiaries are measured using the functional currency of that subsidiary, which is the currency of the primary economic environment in which that subsidiary operates. All financial information presented in Canadian dollars has been rounded to the nearest thousand except where otherwise noted.

(d) Use of estimates and judgments

The preparation of the condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expense. Actual results may differ from these estimates.

In March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic. The outbreak and the measures implemented by governments across the world intended to limit the pandemic have adversely impacted global commercial activity, including significantly reducing worldwide demand for crude oil. The supply conflict between the Organization of Petroleum Exporting Countries over production restrictions has also severely impacted crude oil prices, resulting in increased global supply.

The full extent of the impact of COVID-19 on the Company's operations and future financial performance is currently unknown. The outbreak presents uncertainty and risk with respect to the Company, its performance, and estimates and assumptions in the preparation of its financial results. These uncertainties increase the complexity of estimates and assumptions used to prepare the condensed interim consolidated financial statements, and changes to these assumptions could result in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3. Significant accounting policies

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company in its consolidated financial statements as at and for the year ended December 31, 2019. These unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto as at and for the year ended December 31, 2019.

4. Seasonality of operations

The Company's operations are located in Western Canada. The ability to move heavy equipment safely and efficiently in Western Canadian oil and natural gas fields is dependent on weather conditions. Activity levels during the first quarter are typically the most robust as the frost creates a stable ground mass that allows for easy access to well sites and easier drilling and service rig movement. The second quarter is traditionally the slowest due to road bans during spring break-up. When winter frost leaves the ground, it renders many secondary roads incapable of supporting the weight of heavy equipment until they have thoroughly dried out. Road bans during this time restrict service and support equipment access to well sites. The third quarter has more activity as the summer months are typically drier than the second quarter. The fourth quarter is again quite active as winter temperatures freeze the ground once more maximizing site access. However, there may be temporary halts to operations in extreme cold weather when the temperature falls below -35C.

Stated in thousands of Canadian dollars except share and per share amounts

5. Property, plant and equipment

	Contract Drilling equipment	Production Services property, plant, and equipment	Right-of-use assets	Other equipment	Total
Costs					
Balance, January 1, 2020	$ 120,058	$ 255,878	$ 1,905	$ 2,072	$ 379,913
Additions	786	1,993	-	26	2,805
Disposals	(146)	(1,975)	(43)	-	(2,164)
Effect of foreign currency exchange differences	1,763	-	10	-	1,773
Balance, March 31, 2020	122,461	255,896	1,872	2,098	382,327
Accumulated depreciation and impairment losses					
Balance, January 1, 2020	30,583	129,598	1,084	1,892	163,157
Depreciation	1,081	1,846	226	19	3,172
Disposals	(4)	(615)	(31)	-	(650)
Impairments	24,000	1,451	-	-	25,451
Effect of foreign currency exchange differences	59	-	2	-	61
Balance, March 31, 2020	55,719	132,280	1,281	1,911	191,191
Net book value					
Balance, March 31, 2020	$ 66,742	$ 123,616	$ 591	$ 187	$ 191,136

The combined effects of the reduction in global demand for crude oil due to the COVID-19 health pandemic and the increase in global supply of crude oil has resulted in a rapid decline in oil prices. This has negatively affected current and forecasted drilling and production levels in Canada and the United States resulting in decreased demand for drilling services by our exploration and production customers. As such, the Company concluded that indicators of impairment existed and performed an impairment test for the Contract Drilling cash generating unit ("CGU") at March 31, 2020.

The recoverable amount of the CGU was based on the value in use method, estimated using discounted cash flows incorporating the Company's most recent 2020 internal forecasts and changes in long-term commodity price forecasts at March 31, 2020. The fair value of measurement was categorized as Level 3 fair value based on the inputs in the valuation technique used.

The results of the impairment test for the Contract Drilling CGU resulted in the carrying amount of the CGU exceeding its recoverable amount by $24,000 at March 31, 2020 and therefore the Company recorded an impairment expense of $24,000 in the Statement of Comprehensive Loss.

As the Company discontinued operations of its Coil Tubing division on March 17, 2020, the Coil Tubing assets included in the Production Services segment were written down by $1,451 to their estimated disposal value of $1,000.

Stated in thousands of Canadian dollars except share and per share amounts

6. Loans and borrowings

The following table provides information with respect to amounts included in the consolidated statement of financial position related to loans and borrowings:

	March 31, 2020	December 31, 2019
Current liabilities		
Current portion of lease liabilities	**$ 380**	$ 559
Current portion of Mortgage Loan	**582**	582
	$ 962	$ 1,141
Non-current liabilities		
Bank Loan	**$ 31,400**	$ 28,304
Mortgage Loan	**11,200**	11,345
Lease liabilities	**233**	276
Financing fees	**(458)**	(514)
	$ 42,375	39,411
Total loans and borrowings	**$ 43,337**	$ 40,552

The Company has credit facilities with a syndicate of four Canadian financial institutions (the "Credit Facility"). The Credit Facility provides the Company with a $60.7 million extendible revolving term facility (the "Bank Loan") and other credit instruments. Of the Bank Loan, $42.5 million is a syndicated facility, $10.0 million is a Canadian operating facility with the remaining $8.2 million (US$5.75 million) being a U.S. operating facility. On September 27, 2019, the Bank Loan was extended for a committed term until July 31, 2022 ("Maturity Date"). No principal payments are required under the Bank Loan until the Maturity Date, at which time any amounts outstanding are due and payable. The Company may, on an annual basis, request the Maturity Date be extended for a period not to exceed three years from the date of the request. If a request for an extension is not approved by the banking syndicate, the Maturity Date will remain unchanged.

The Bank Loan bears interest based on a sliding scale pricing grid tied to the Company's trailing Consolidated Debt(2) to Consolidated EBITDA(1) ratio from a minimum of the bank's prime rate plus 0.75% to a maximum of the bank's prime rate plus 3.75% or from a minimum of the bankers' acceptances rate plus a stamping fee of 1.75% to a maximum of the bankers' acceptances rate plus a stamping fee of 4.75%. Standby fees under the Bank Loan range between 0.39% and 1.07%. Interest and fees under the Bank Loan are payable monthly. The Company has the option to borrow funds denominated in either Canadian or United States dollars under the Credit Facility. Borrowings under the Bank Loan are limited to an aggregate of 75% of accounts receivable outstanding less than 90 days plus 60% of the net book value of property and equipment less certain priority payables. As at March 31, 2020, of the $60,657 Bank Loan facility, $29,257 was available for immediate borrowing and $31,400 was outstanding (December 31, 2019: $28,304). The Bank Loan has an accordion feature which provides the Company with an ability to increase the maximum borrowings up to $125,000, subject to the approval of the lenders. The Bank Loan is secured by a security agreement covering all of the assets of the Company and a first charge Security Interest covering all assets of the Company (other than real estate assets related to the Mortgage Loan). Effective March 31, 2020, the applicable rates under the Bank Loan are: bank prime rate plus 2.25%, banker's acceptances rate plus a stamping fee of 3.25%, and standby fee rate of 0.73%.

Stated in thousands of Canadian dollars except share and per share amounts

Under the terms of the Credit Facility, the Company is required to comply with the following financial covenants:

	Covenant limits	**March 31, 2020**
Consolidated Debt(2) to Consolidated EBITDA(1)	3.75:1.00 or less	**2.61:1.00**
Consolidated Debt(2) to Capitalization(3)	0.50:1.00 or less	**0.17:1.00**
Consolidated Adjusted Cash Flow(4) to Consolidated Adjusted Finance Obligations(5)	1.15:1.00 or more	**4.10:1.00**

(1) Consolidated EBITDA is calculated as net income plus finance costs, plus current and deferred income taxes, plus depreciation, plus stock based compensation, plus any non-recurring losses or impairment losses, or permitted severance costs, minus any non-recurring gain, plus any expenses related to corporate or business acquisitions with all amounts being for the twelve month period ended the calculation date, minus all principal paid or payable in connection with the Mortgage Loan. Consolidated EBITDA is adjusted to reflect the inclusion of material acquisitions or material dispositions on a pro forma basis for the twelve month period ended the calculation date. Consolidated EBITDA is increased if debt repayments from the proceeds of equity issuance are used to repay the syndicated facility and designated by the Company as an Equity Cure amount. The Consolidated Debt to Consolidated EBITDA covenant limit reduces to 3.50:1.00 at September 30, 2020, to 3.25:1.00 at March 31, 2021 and to 3.00:1.00 at September 30, 2021 and thereafter.
(2) Consolidated Debt is calculated as total loans and borrowings as shown in the schedule above adjusted to exclude: the Mortgage Loan, the funds held in any segregated accounts and to remove any financing fees included.
(3) Capitalization is calculated as Consolidated Debt plus Shareholders' Equity as at the calculation date.
(4) Consolidated Adjusted Cash Flow is calculated as Consolidated EBITDA minus amounts paid for transaction costs, dividends or share repurchases in the twelve month period ended the calculation date. The Calculation of Adjusted Cash Flow excludes Consolidated EBITDA resulting from an Equity Cure.
(5) Consolidated Adjusted Finance Obligations is calculated as finance costs plus scheduled principal payments on debt including scheduled principal payments under finance leases minus accretion of finance fees included in finance costs for the twelve month period ended the calculation date (excluding scheduled principal payments attributed to the Mortgage Loan).

Mortgage Loan is a loan maturing on June 28, 2023 that is amortized over 22 years with blended monthly principal and interest payments of $86. At maturity, approximately $9,891 of principal will become payable assuming only regular monthly payments are made. On July 27, 2018 the Company entered into an interest rate swap to exchange the floating rate interest payments for fixed rate interest payments, which fix the Bankers' Acceptance-Canadian Dollar Offered Rate components of its interest payment on the outstanding term debt.

Under the interest rate swap agreement, the Company pays a fixed rate of 2.65% per annum plus the applicable credit spread of 1.35%, for an effective fixed rate of 4.0%. The fair value of the interest rate swap arrangement is the difference between the forward interest rates and the discounted contract rate. As of March 31, 2020, the mark-to-market value of the interest rate swap of $377 is included within accounts payable and accrued liabilities on the Consolidated Statements of Financial Position (December 31, 2019: $246).

Lease liabilities consist of vehicles and office space which mature in 1 to 3 years. The incremental borrowing rate applied to the individual leases liabilities varies from 4.0% to 6.4% per annum.

Financing fees consist of commitment fees and legal expenses relating to the Credit Facility and are being amortized using the effective interest rate method over the term of the Credit Facility. For the three months ended March 31, 2020 financing fees of $62 were amortized and included in finance costs (three months ended March 31, 2019 : $41).

Stated in thousands of Canadian dollars except share and per share amounts

7. Share capital

(a) Authorized

Unlimited number of Common voting shares without par value.

Unlimited number of Preferred shares without par value.

(b) Normal course issuer bid

On April 15, 2019, the Company initiated a Normal Course Issuer Bid (" NCIB") which expired on April 14, 2020. Under this expired NCIB the Company could purchase, from time to time as it considered advisable, up to 25,535,115 of issued and outstanding common shares through the facilities of the TSXV or other recognized marketplaces.

In addition, CWC entered into an automatic securities purchase plan (the "ASPP") (as defined under applicable securities laws) with Raymond James Ltd. ("Raymond James") for the purpose of making purchases under the ASPP. Such purchases were determined by Raymond James in its sole discretion, without consultation with CWC having regard to the price limitation and aggregate purchase limitation and other terms of the ASPP and the rules of the TSXV. Conducting the NCIB as an ASPP allows common shares to be purchased at times when CWC would otherwise be prohibited from doing so pursuant to securities laws and its internal trading policies.

On April 15, 2020, the Company replaced its expired NCIB with a new NCIB which now expires on April 14, 2021. Under the new NCIB the Company may purchase, from time to time as it considers advisable, up to 25,340,742 of issued and outstanding common shares through the facilities of the TSXV or other recognized marketplaces. In addition, CWC renewed its ASPP with Raymond James for the purpose of making purchases under the ASPP.

For the three months ended March 31, 2020, 3,674,500 shares (three months ended March 31, 2019: 2,050,500) for consideration of $420, including commissions (three months ended March 31, 2019: $370) were purchased under the NCIB and 3,764,000 were cancelled and returned to treasury.

(c) Stock options

The following table summarizes changes in the number of stock options outstanding:

	Number of options	Weighted average exercise price
Balance at December 31, 2019	**20,666,667**	**0.17**
Forfeited	**(26,000)**	**0.20**
Balance at March 31, 2020	**20,640,667**	**0.17**

For the three months ended March 31, 2020, stock based compensation expense relating to stock options totaled $61 (three months ended March 31, 2019: $143).

(d) Restricted share unit plan

The following table summarizes information about RSUs outstanding:

Issue date fair value	Number of RSUs outstanding	Weighted average remaining life (years) contractual	Weighted average exercise price ($)	Number of RSUs exercisable
$ 0.09 - $ 0.19	**6,673,154**	**2.17**	**n/a**	**727,154**

Stated in thousands of Canadian dollars except share and per share amounts

For the three months ended March 31, 2020, stock-based compensation expense relating to RSUs totaled $72 (three months ended March 31, 2019: $86).

For the three months ended March 31, 2020, 551,000 RSUs were exercised (March 31, 2019: 277,000 RSUs).

(e) Weighted average common shares outstanding

The following table reconciles the common shares used in computing per share amounts for the periods noted:

	For the three months ended March 31,	
	2020	2019
Weighted average common shares outstanding – basic	**510,936,431**	512,678,779
Effect of dilutive share-based compensation plans	**-**	-
Weighted average common shares outstanding – diluted	**510,936,431**	512,678,779

Outstanding stock options and RSUs are currently the only instruments which could potentially dilute earnings per share. For the three months ended March 31, 2020, 20,640,667 (three months ended March 31, 2019: 24,351,333) stock options and 6,583,154 (three months ended March 31, 2019: 5,651,001) RSUs were not included in the computation of net loss per common share because to do so would be anti-dilutive.

8. Supplemental cash flow information

	For the three months ended March 31,	
	2020	**2019**
Increase (decrease) in non-cash working capital items:		
Accounts receivable	**$ (4,034)**	$ (1,158)
Prepaid expenses and deposits	**782**	433
Accounts payable and accrued liabilities	**(2,037)**	(521)
	$ (5,289)	$ (1,246)

9. Operating segments

The Company operates its Contract Drilling segment in both Canada and the United States while its Production Services segment operates in Canada. The Contract Drilling segment provides drilling rigs and related ancillary equipment to oil and gas exploration and production companies. The Production Services segment provides well services to oil and gas exploration and production companies through the use of service rigs, swabbing rigs and coil tubing units.

Management uses net income before depreciation and income taxes ("segment profit") in management reports reviewed by key management personnel and the board of directors to measure performance at a segment basis. Segment profit is used to measure performance, as management believes this is the most relevant measure in evaluating the results of our segments relative to each other and to other entities that operate within the respective industries.

The Corporate segment captures general and administrative expenses associated with supporting each of the reporting segments operations, plus costs associated with being a public company. Also included in the Corporate segment is interest expense for debt servicing, income tax expense and other amounts not directly related to the two primary segments.

Stated in thousands of Canadian dollars except share and per share amounts

The amounts related to each industry segment are as follows:

For the three months ended March 31, 2020	**Contract Drilling**	**Production Services**	**Corporate**	**Total**
Revenue	$ 12,671	$ 20,869	$ -	$ 33,540
Direct operating expenses	8,150	15,465	-	23,615
Selling and administrative expenses	580	2,454	1,383	4,417
Stock based compensation	-	-	133	133
Finance costs	-	-	684	684
Depreciation	1,119	1,781	272	3,172
Loss on disposal of equipment	142	909	-	1,051
Impairment of assets	24,000	1,451	-	25,451
Loss before tax	(21,320)	(1,191)	(2,472)	(24,983)
Deferred income tax recovery	-	-	(5,806)	(5,806)
Net income (loss)	$ (21,320)	$ (1,191)	$ 3,334	$ (19,177)
Capital expenditures	$ 786	$ 1,993	$ 26	$ 2,805
As at March 31, 2020				
Property, plant and equipment	$ 66,742	$ 123,616	$ 187	$ 190,545
Right-of-use assets	$ 201	$ 285	$ 105	$ 591

For the three months ended March 31, 2019	**Contract Drilling**	**Production Services**	**Corporate**	**Total**
Revenue	$ 9,120	$ 22,139	$ -	$ 31,259
Direct operating expenses	6,845	15,493	-	22,338
Selling and administrative expenses	275	2,537	1,415	4,227
Stock based compensation	-	-	229	229
Finance costs	-	-	732	732
Depreciation	1,423	2,052	259	3,734
Gain on disposal of equipment	-	(22)	-	(22)
Income (loss) before tax	577	2,079	(2,635)	21
Deferred income tax expense	-	-	68	68
Net income (loss)	$ 577	$ 2,079	$ (2,703)	$ (47)
Capital expenditures	$ 94	$ 1,185	$ 15	$ 1,294
As at March 31, 2019				
Property, plant and equipment	$ 91,999	$ 130,946	$ 128	$ 223,073
Intangibles	$ 38	$ -	$ -	$ 38

Stated in thousands of Canadian dollars except share and per share amounts

10. Expenses by nature

For the three months ended March 31, 2020	Direct operating expenses	Selling and administrative expenses	Stock based compensation	Finance costs	Depreciation expense	Loss on disposal of equipment	Impairment of assets	Total
Personnel expenses	$ 15,942	$ 2,458	$ 133	$ -	$ -	$ -	$ -	$ 18,533
Third party charges	3,386	-	-	-	-	-	-	3,386
Repairs and maintenance	4,287	-	-	-	-	-	-	4,287
Other selling and administrative expenses	-	1,373	-	-	-	-	-	1,373
Bad debt expense	-	252	-	-	-	-	-	252
Facility expenses	-	334	-	-	-	-	-	334
Finance costs	-	-	-	684	-	-	-	684
Depreciation expense	-	-	-	-	3,172	-	-	3,172
Loss on disposal of equipment	-	-	-	-	-	1,051	-	1,051
Impairment of assets	-	-	-	-	-	-	25,451	25,451
Total	$ 23,615	$ 4,417	$ 133	$ 684	$ 3,172	$ 1,051	$ 25,451	$ 58,523

For the three months ended March 31, 2019	Direct operating expenses	Selling and administrative expenses	Stock based compensation	Finance costs	Depreciation expense	Gain on disposal of equipment	Total
Personnel expenses	$ 15,686	$ 2,919	$ 229	$ -	$ -	$ -	$ 18,834
Third party charges	2,251	-	-	-	-	-	2,251
Repairs and maintenance	4,401	-	-	-	-	-	4,401
Other selling and administrative expenses	-	897	-	-	-	-	897
Bad debt expense	-	32	-	-	-	-	32
Facility expenses	-	379	-	-	-	-	379
Finance costs	-	-	-	732	-	-	732
Depreciation expense	-	-	-	-	3,734	-	3,734
Gain on disposal of equipment	-	-	-	-	-	(22)	(22)
Total	$ 22,338	$ 4,227	$ 229	$ 732	$ 3,734	$ (22)	$ 31,238

Stated in thousands of Canadian dollars except share and per share amounts

11. Revenue

Revenue consists of amounts earned from sale of Contract Drilling and Production Services. Production Services includes revenue from service rigs, swabbing rigs and coil tubing units.

The following table presents the Company's revenue disaggregated by type:

For the three months ended March 31, 2020	Contract Drilling	Production Services			
	Drilling Rigs	Service Rigs	Swabbing Rigs	Coil Tubing	Total
Canada	$ 7,860	$ 20,278	$ 326	$ 265	$ 28,729
United States	4,811	-	-	-	4,811
Revenue	$ 12,671	$ 20,278	$ 326	$ 265	$ 33,540

For the three months ended March 31, 2019	Contract Drilling	Production Services			
	Drilling Rigs	Service Rigs	Swabbing Rigs	Coil Tubing	Total
Canada	$ 9,120	$ 20,702	$ 477	$ 960	$ 31,259
United States	-	-	-	-	-
Revenue	$ 9,120	$ 20,702	$ 477	$ 960	$ 31,259

Included in accounts receivable at March 31, 2020 was $1,089 (December 31, 2019: $2,669) of accrued revenue for services provided in the month then ended. There have been no significant adjustments for prior period accrued revenue in the current period.

As of March 31, 2020, the Company did not have any sales contracts beyond one year in term.