ENERPLUS RESOURCES FUND
Form F-10/A
November 25, 2002

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As filed with the Securities and Exchange Commission on November 25, 2002

Registration No. 333-101240

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1 TO

FORM F-10

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ENERPLUS RESOURCES FUND

(Exact name of registrant as specified in its charter)

Alberta, Canada	**1311**	**N/A**
(Province or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

3000 The Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta T2P 2Z1 Canada
(403) 298-2200

(Address and telephone number of registrant's principal executive offices)

CT Corporation
111 Eighth Avenue, 13th Floor
New York, New York 10011
(212) 894-8940

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Copies to:

G. Michael O'Leary, Esq. **Andrews & Kurth L.L.P.** **600 Travis, Suite 4200** **Houston, Texas 77002** **(713) 220-4200**	**Brock Gibson, Esq.** **Blake, Cassels & Graydon LLP** **Suite 3500, East Tower,** **Bankers Hall** **855 - 2nd Street S.W.** **Calgary, Alberta T2P 4J8** **Canada** **(403) 260-9600**	**Allan R. Twa, Q.C., Esq.** **Burnet, Duckworth &** **Palmer LLP** **#1400, 350 - 7th Avenue S.W.** **Calgary, Alberta T2P 3N9** **Canada** **(403) 260-0100**	**Brice T. Voran, Esq.** **Shearman & Sterling** **Commerce Court West** **199 Bay Street, Suite 4405** **P.O. Box 247** **Toronto, Ontario M5L 1E8** **Canada** **(416) 360-8484**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the Registration Statement becomes effective.

Province of Alberta, Canada

(Principal jurisdiction regulating this offering (if applicable))

It is proposed that this filing shall become effective (check appropriate box):

A. ý Upon filing with the Commission pursuant to Rule 467(a) (if in connection with an offering being made contemporaneously in the United States and Canada).
B. o At some future date (check the appropriate box below).
1. o Pursuant to Rule 467(b) on ______ (date) at ______ (time) (designate a time not sooner than seven calendar days after filing).
2. o Pursuant to Rule 467(b) on ______ (date) at ______ (time) (designate a time seven calendar days or sooner after filing) because the securities regulatory authority in the review jurisdiction has issued a receipt or notification of clearance on ______ (date).
3. o Pursuant to Rule 467(b) as soon as practicable after notification of the Commission by the registrant or the Canadian securities regulatory authority of the review jurisdiction that a receipt or notification of clearance has been issued with respect hereto.
4. o After the filing of the next amendment to this form (if preliminary material is being filed).

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to the home jurisdiction's shelf prospectus offering procedures, check the following box. o

PART I

INFORMATION REQUIRED TO BE DELIVERED TO OFFEREES OR PURCHASERS

I-1

SUBJECT TO COMPLETION, DATED NOVEMBER 22, 2002

PROSPECTUS

7,000,000 Trust Units

US$ per Trust Unit

We are selling 7,000,000 trust units. We have granted the underwriters an option to purchase up to 1,050,000 additional trust units solely to cover over-allotments.

Our trust units are listed on the New York Stock Exchange under the symbol "ERF" and on the Toronto Stock Exchange under the symbol "ERF.UN." The last reported sale price of our trust units on the New York Stock Exchange on November 21, 2002 was US$17.36 per trust unit and the last reported sale price of our trust units on the Toronto Stock Exchange on November 21, 2002 was Cdn$27.21 per trust unit.

Investing in our trust units involves risks. See "Risk Factors" beginning on page 17.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We are permitted to prepare this prospectus in accordance with Canadian disclosure requirements, which are different from those of the United States. We prepare our financial statements in accordance with Canadian generally accepted accounting principles, and they are subject to Canadian auditing and auditor independence standards. They may not be comparable to financial statements of United States companies.

Owning the trust units may subject you to tax consequences both in the United States and Canada. This prospectus may not describe these tax consequences fully. You should read the tax discussion under "Certain Income Tax Considerations."

Your ability to enforce civil liabilities under the United States federal securities laws may be affected adversely because we are organized in Canada, some of our officers and directors and some of the experts named in this prospectus are Canadian residents, and substantially all of our assets and the assets of those officers, directors and experts are located outside of the United States.

	Per Trust Unit	Total
Public Offering Price	US$	US$
Underwriting Discount	US$	US$
Proceeds to Enerplus Resources Fund, before expenses	US$	US$

The underwriters expect to deliver the trust units to purchasers on or about , 2002.

Joint Book-Running Managers

Salomon Smith Barney **CIBC World Markets**

RBC Capital Markets

BMO Nesbitt Burns

Lehman Brothers

Scotia Capital

UBS Warburg

Putnam Lovell NBF

TD Securities

Canaccord Capital USA

Raymond James

, 2002

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer to sell these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

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EXCHANGE RATES

We present our financial information in Canadian dollars. In this prospectus, except where we indicate otherwise, all dollar amounts are in Canadian dollars. References to "$" or "Cdn$" are to Canadian dollars and references to "US$" are to United States dollars. The following table sets forth certain exchange rates based upon the noon buying rate in New York City for cable transfers in Canadian dollars as certified for customs purposes by the Federal Reserve Bank of New York. These rates are set forth as United States dollars per Cdn$1.00 and are the inverse of the noon buying rate. The average is derived by taking an average of the exchange rates on the last business day of each month during the applicable period. On November 21, 2002, the inverse of the noon buying rate was US$0.6336 per Cdn$1.00.

	Year Ended December 31,				Nine Months Ended September 30,	
	1998	1999	2000	2001	2001	2002
High	0.7105	0.6925	0.6969	0.6697	0.6697	0.6619
Low	0.6341	0.6535	0.6410	0.6241	0.6330	0.6200
Period end	0.6504	0.6925	0.6669	0.6279	0.6330	0.6304
Average	0.6722	0.6746	0.6727	0.6446	0.6491	0.6369

PRESENTATION OF OUR FINANCIAL AND OPERATIONAL INFORMATION

The financial statements included and incorporated by reference in this prospectus have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Canadian GAAP differs in some significant respects from U.S. GAAP and thus our financial statements may not be comparable to the financial statements of U.S. companies. The principal differences as they apply to us are summarized in the notes to the financial statements included or incorporated by reference in this prospectus.

The merger of Enerplus Resources Fund and EnerMark Income Fund, which occurred on June 21, 2001, was accounted for as a reverse take-over because the former unitholders of EnerMark Income Fund owned the majority of the outstanding trust units of the consolidated Fund after the merger. Under this form of purchase accounting, according to both Canadian and U.S. GAAP, EnerMark Income Fund is deemed to have acquired Enerplus Resources Fund. The consolidated financial statements of the Fund for the year ended December 31, 2001 therefore include only EnerMark Income Fund's operating and financial results prior to the merger and the results of the merged Fund thereafter. Unless otherwise indicated, all comparative figures and references to prior years are those of EnerMark Income Fund. Accordingly, unless otherwise indicated, all references to "our" or "Enerplus' " financial statements or information for periods prior to June 21, 2001 are to those of EnerMark Income Fund, including the consolidated financial statements of the Fund for the years ended December 31, 2000 and 1999 included and incorporated by reference in this prospectus. The financial statements of Enerplus Resources Fund as it existed prior to the merger (referred to in this prospectus as "pre-merger Enerplus") are incorporated by reference in this prospectus. Except for trust unit information contained in "Summary", "Price Range and Trading Volumes of Trust Units" and "Distributions", all disclosures of trust units and per trust unit data up to the June 21, 2001 merger date have been restated using the merger exchange ratio of 0.173 of a trust unit of pre-merger Enerplus for each trust unit of EnerMark Income Fund.

Additionally, unless otherwise indicated, all historical production, reserve and other operational information is based on the historical operations of EnerMark Income Fund only. Unless otherwise indicated, the production, reserve and other operational information attributable to the operations of pre-merger Enerplus is not included; however, this information is included for the merged Fund since June 21, 2001.

Unless otherwise indicated, pro forma financial information included in this prospectus gives pro forma effect to the merger of Enerplus Resources Fund with EnerMark Income Fund completed on June 21, 2001 and other transactions and adjustments as if the merger had occurred on January 1, 2001, as described in the notes to the pro forma financial statements beginning on page F-49.

We have adopted the standard of 6 Mcf:1 barrel of oil equivalent when converting natural gas to barrels of oil equivalent, or Boe.

PRESENTATION OF OUR RESERVE INFORMATION

The United States Securities and Exchange Commission generally permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves net of royalties and interests of others that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Canadian securities laws permit oil and gas companies, in their filings with Canadian securities regulators, to disclose not only proved reserves but also probable reserves, and to disclose reserves and production on a gross basis before deducting royalties. Probable reserves are higher risk and are generally believed to be less likely to be accurately estimated or recovered than proved reserves. Because we are permitted to prepare this prospectus in accordance with Canadian disclosure requirements, we have disclosed in this prospectus and in the documents incorporated by reference reserves designated as "probable" and "established." The SEC's guidelines strictly prohibit reserves in these categories from being included in filings with the SEC that are required to be prepared in accordance with U.S. disclosure requirements. Moreover, we have determined and disclosed estimated future net cash flow from our reserves using both constant and escalated prices and costs, whereas the SEC generally requires that prices and costs be held constant at levels in effect at the date of the reserve report.

Reserve estimates of Enerplus contained in, and incorporated by reference into, this prospectus are based upon reports prepared by Sproule Associates Limited, a large, established Canadian independent firm of petroleum engineers, with respect to our reserves as of January 1, 2002. Sproule evaluated properties which comprised approximately 86% of our gross proved developed producing reserve value and 83% of our gross proved plus probable reserve value, in both cases discounted at 12%. We have evaluated the balance of the properties internally using evaluation parameters consistent with those used by Sproule. Reserve estimates of recently acquired Celsius Energy Resources Ltd. contained in this prospectus are based upon two separate reports prepared by Sproule and by Gilbert Laustsen Jung Associates Ltd., or GLJ, as of January 1, 2002. Together, Sproule and GLJ evaluated 100% of Celsius' reserves.

Although the definitions of proved reserves under SEC Regulation S-X and Canadian National Policy 2-B are different, in the opinion of Sproule Associates Limited, estimates of our net proved reserves using constant price and cost assumptions in this prospectus are, in all material respects, equivalent to those which would be determined under SEC Regulation S-X. This prospectus has not been, and will not be, reviewed by the SEC.

In this prospectus, all estimates of reserves and production are before deduction of royalties, unless otherwise indicated. All future cash flows have been stated prior to any provision for income taxes, interest, general and administrative costs and management fees and indirect costs and after deduction of royalties and estimated future capital expenditures. The estimated present worth values of future net cash flow contained in this prospectus are not representative of the fair market value of the reserves. Our actual reserves will be greater than or less than the estimates provided herein.

Outlined below are certain important terms that are used in the description of our reserves. Please also read "Glossary of Terms" for additional terms used to describe our reserves.

gross. When used to describe our share of reserves means the total of our working interests before deducting royalties payable to third parties.

net. When used to describe our share of reserves means the total of our working interests after deducting royalties payable to third parties.

proved reserves. Those quantities of oil, natural gas and natural gas by-products which, upon analysis of geologic and engineering data, appear with a high degree of certainty to be recoverable at commercial rates in the future from known oil and natural gas reservoirs under current economic and operating conditions for reserves based on constant price and cost assumptions, and presently anticipated economic and operating conditions for the reserves based on escalated price and cost assumptions.

probable reserves. Those reserves which may be recoverable as a result of the beneficial effects which may be derived from the future institution of some form of pressure maintenance or other secondary recovery method, or as a result of a more favourable performance of the existing recovery mechanism than that which would be deemed proved at the present time, or those reserves which may reasonably be assumed to exist because of geophysical or geological indications and drilling done in regions which contain proved reserves. Probable reserves are presented before deduction of royalties and are based on escalated price and cost assumptions, unless otherwise indicated.

established reserves. Proved reserves plus 50% of probable reserves, before the deduction of royalties and based on escalated price and cost assumptions, unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus, and in certain documents incorporated by reference into this prospectus, constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Act of 1934, as amended, which are made pursuant to the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "plans", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in our forward-looking statements. We believe the expectations reflected in those forward-looking statements are reasonable. However, we cannot assure you that these expectations will prove to be correct. You should not unduly rely on forward-looking statements included in, or incorporated by reference into, this prospectus. These statements speak only as of the date of this prospectus or as of the date specified in the documents incorporated by reference into this prospectus, as the case may be.

In particular, this prospectus, and the documents incorporated by reference in this prospectus, contain forward-looking statements pertaining to the following:

- the size of our reserves;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the ability to raise capital and to continually add to our reserves through acquisitions;
- expectations regarding the ability to maintain or increase our production through exploitation and development of our reserves;

- treatment under governmental regulatory regimes;
- timing and amount of future production;
- prices for oil and natural gas produced;
- operating and other costs;
- business strategies and plans;
- capital expenditure programs; and
- projections of distributions on our trust units.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this prospectus:

- volatility in market prices for oil, NGLs and natural gas;
- liabilities inherent in our oil and gas operations;
- uncertainties associated with estimating and producing reserves;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of acquisitions;
- geological, technical, drilling and processing problems; and
- the other factors discussed under "Risk Factors."

These factors should not be construed as exhaustive. We undertake no obligation to publicly update or revise any forward-looking statements.

SUMMARY

This summary highlights selected information contained in greater detail elsewhere in this prospectus. This summary does not contain all of the information that you should consider before investing in our trust units. You should carefully read the entire prospectus and the documents incorporated by reference herein, including the section entitled "Risk Factors" and the financial statements included or incorporated by reference herein, before making an investment decision.

Some of the terms used in this prospectus and the documents incorporated by reference are defined in "Glossary of Terms." All references to "Enerplus", "we", "us" and "our" refer to Enerplus Resources Fund, EnerMark Inc. and Enerplus Resources Corporation and their subsidiaries on a collective basis. All references to the "Fund" refer to Enerplus Resources Fund only. All references to "EnerMark" refer to EnerMark Inc. and its subsidiaries, and all references to "ERC" refer to Enerplus Resources Corporation and its subsidiaries. EnerMark and ERC are collectively referred to as the "Operating Companies." All references to "EGEM" or the "Manager" refer to Enerplus Global Energy Management Company. References to "$" or "Cdn$" are to Canadian dollars and references to "US$" are to United States dollars.

Enerplus

Who We Are

We are the largest conventional oil and gas trust in North America in terms of market capitalization, production volumes and oil and natural gas reserves. Our trust units are listed on the Toronto Stock Exchange and the New York Stock Exchange and our market capitalization as at November 21, 2002 was approximately $2.0 billion. Through our operating subsidiaries, we actively manage the acquisition and development of, and production from, oil and natural gas properties. Our operations are currently focused exclusively in western Canada.

We hold interests in a diversified and balanced portfolio of mature oil and natural gas properties. Our properties generally have predictable production profiles, long reserve lives and the opportunity for development. Approximately 55% of our production and reserves is comprised of natural gas and approximately 45% is comprised of crude oil and natural gas liquids, or NGLs. As of January 1, 2002, we had established reserves of 312 MMBoe and net proved reserves of 215 MMBoe. The established reserve life index and the R/P ratio of our properties as of January 1, 2002 was 14.0 years and 9.4 years, respectively.

Our primary purpose is to generate and distribute cash flows to unitholders. As such, we focus on the acquisition and lower-risk development of mature, long-life oil and natural gas properties. We do not participate in exploration activity because of the higher risks involved. Our production is typically more predictable and stable than traditional exploration and production, or E&P, companies and our operations are generally not as capital intensive.

We make monthly cash distributions to our unitholders from the net cash flows that we receive from our oil and gas operations. The amount of that net cash flow is subject to many factors, including fluctuations in the quantity of oil and natural gas that we produce, the prices we receive for that production and the operating costs associated with that production. Our cash distribution for November 2002 was $0.30 (US$0.19) per trust unit, and we have paid cumulative distributions of $3.40 (US$2.16) per trust unit in the twelve months through and including October 2002.

Since its inception, Enerplus Resources Fund has grown significantly through a series of mergers and acquisitions, the most significant of which was the merger of Enerplus Resources Fund and EnerMark Income Fund on June 21, 2001. During that time, Enerplus, meaning Enerplus Resources Fund as it existed prior to the merger with EnerMark Income Fund on June 21, 2001 (referred to as "pre-merger Enerplus") and the merged Fund after that date, has increased its average daily production volumes from 34 Boe/day for the twelve months ended November 30, 1986 to 61,493 Boe/day for the nine months ended September 30, 2002.

For Canadian income tax purposes, we are classified as a "mutual fund trust." For United States federal income tax purposes, we are considered a corporation and are not a partnership or a master limited partnership (or MLP). You should read the information in "Certain Income Tax Considerations" and consult your own tax advisors to find out more about the tax consequences of owning trust units.

Our Business Strategy

Our objective is to maximize our net cash flows, and therefore the distributions to our unitholders, while minimizing the risk associated with these cash flows, optimizing the economic recovery from our properties and assets and maintaining a prudent capital structure. To accomplish these goals, our business strategy is to:

- continue to develop our existing properties to maintain and enhance oil and natural gas production;

- acquire suitable energy-related properties and assets such as mature, long-life oil and natural gas properties with predictable production profiles;

maintain a balanced portfolio of geographically and geologically diversified oil and natural gas properties;

control costs through the efficient operation of existing and acquired properties;

manage commodity price risk, when appropriate, through hedging agreements; and

employ financial and corporate policies that facilitate access to capital.

History of Distributions and Unit Price

The following charts present historical distribution and trust unit price information for a specified period. Other periods will have different results and those differences may be significant. These charts are for illustrative purposes only and are not intended to be indicative of future distributions or trust unit prices.

You should consider the following notes when reading these charts, as well as the notes following each chart:

(1) Historical distributions for the periods prior to June 2001 represent only the distributions paid by pre-merger Enerplus. They do not represent the historical distributions paid by EnerMark Income Fund prior to its merger with Enerplus Resources Fund on June 21, 2001. Please read "Presentation of Our Financial and Operational Information." Certain information with respect to the historical distributions paid by EnerMark Income Fund can be found under "Distributions."

(2) Distributions presented in the chart are calculated on a calendar basis. Distribution and trust unit price information give effect to the one for six consolidation of the trust units of pre-merger Enerplus which became effective on June 8, 2000.

(3) Distributions paid do not include cash flow retained by Enerplus for debt reduction. See "Distributions Distributions Policy."

Since January 1, 1992, Enerplus Resources Fund has made cumulative cash distributions of $38.19 per trust unit, including the distribution of $0.30 per trust unit paid in October 2002. The closing price of our trust units on the Toronto Stock Exchange on October 31, 2002 was $28.01 per trust unit compared to a closing price of $14.10 per trust unit on the Toronto Stock Exchange on December 31, 1991. In connection with the chart below, please read the notes on page 2 of this prospectus.

Cumulative Cash Distributions per Trust Unit
January 1, 1992 to October 31, 2002[1]

Since 1992, the annual cash distributions per trust unit paid by Enerplus Resources Fund have ranged from $2.46 to $5.95 and have tended to fluctuate with commodity prices. In connection with the chart below, please read the notes on page 2 of this prospectus.

Cash Distributions per Trust Unit and Benchmark Crude Oil Prices
January 1992 to Ten Months Ended October 2002[(1)]

Our trust units are listed on the Toronto Stock Exchange under the symbol "ERF.UN" and have been listed on the New York Stock Exchange under the symbol "ERF" since November 17, 2000. In connection with the charts below, please read the notes on page 2 of this prospectus, as well as the notes following each of the charts.

Total Pre-Tax Return Performance of Enerplus,
the S&P/TSX Composite Index and the TSX Oil & Gas Producers Index
November 1, 1992 to October 31, 2002(1)(2)(3)(4)

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(4) Assumes the reinvestment of gross distributions and/or dividends without deduction for the payment of (i) applicable taxes on those distributions and/or dividends or (ii) applicable transaction costs incurred in the reinvestment, and therefore is not illustrative of returns achieved by most investors.

(5) Based on the weekly closing price of Enerplus trust units on the Toronto Stock Exchange.

Total Pre-Tax Return Performance of Enerplus,
the S&P 500 Index and the S&P 500 Energy Index
November 1, 1992 to October 31, 2002(1)(2)(3)(6)

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(6) Assumes the reinvestment of gross distributions and/or dividends without deduction for the payment of (i) applicable taxes on those distributions and/or dividends or (ii) applicable transaction costs incurred in the reinvestment, and therefore is not illustrative of returns achieved by most investors.

(7) Based on the weekly closing price of Enerplus trust units on the Toronto Stock Exchange in Canadian dollars, converted to United States dollars at the Bank of Canada exchange rate on such date.

Our Organizational Structure

Our trust structure provides us with an efficient means to distribute our net cash flows to our unitholders. Our structure increases the amount of cash distributions available to our unitholders as cash flows have historically flowed from the Operating Companies to the Fund with little or no corporate income tax payable at the Operating Company level. As the Fund distributes all of its taxable income to its unitholders, no income taxes are paid at the Fund level.

The following diagram represents a summary of our current structure and the flow of funds from the oil and natural gas properties owned by the Operating Companies to the Fund, as well as the cash distributions to our unitholders.

The Fund's primary sources of net cash flow are (1) payments received from 95% and 99% net royalty interests granted to the Fund by EnerMark and ERC, respectively, on the production from their oil and natural gas properties, (2) interest and principal payments on debt issued to the Fund by EnerMark, and (3) dividend payments received by the Fund from EnerMark and, indirectly, from ERC.

Enerplus Resources Fund

Enerplus Resources Fund is a publicly traded open-ended investment trust whose principal undertaking is to issue trust units to the public and to indirectly invest its funds in oil and natural gas properties and other energy-related assets. The Fund's investment in these oil and natural gas interests is held entirely through its Operating Companies. Each trust unit represents an equal, undivided beneficial interest in the Fund. The Fund pays cash distributions to its unitholders from the net cash flow received from the Operating Companies. The Fund is managed by EGEM pursuant to a management agreement. The Fund is governed by the laws of the Province of Alberta. Its head and principal office is located at The Dome Tower, Suite 3000, 333 - 7th Avenue S.W., Calgary, Alberta, Canada T2P 2Z1.

EnerMark Inc. and Enerplus Resources Corporation

EnerMark and ERC own and operate our oil and gas properties on behalf of the Fund. Both EnerMark and ERC are corporations organized under the *Business Corporations Act* (Alberta). All of the issued and outstanding shares of EnerMark are owned by the Fund, and all of the issued and outstanding shares of ERC are owned by EnerMark. EnerMark and ERC are managed by EGEM pursuant to a management agreement.

Enerplus Global Energy Management Company

EGEM manages the Fund and the Operating Companies pursuant to a management agreement. EGEM is a corporation organized under the *Companies Act* (Nova Scotia) and is an indirect wholly-owned subsidiary of El Paso Corporation of Houston, Texas. The board of directors of EnerMark, which oversees the business and affairs of Enerplus, has retained EGEM to provide comprehensive management services and to administer and regulate the day-to-day operations and make executive decisions in respect of Enerplus that conform to general policies and principles established by the board of directors of EnerMark. For these services, EGEM receives a management fee, incentive fees based on the performance of the Fund and reimbursement of its general and administrative expenses. Please read "Management and Corporate Governance."

Governance of Enerplus

EnerMark's board of directors is responsible for the overall governance of Enerplus and establishes the general policies and principles outlining the overall management and direction of Enerplus, including the supervision of EGEM. The board of directors must be comprised of a minimum of seven directors, three of which are nominated by EGEM pursuant to the governance agreement. The remainder of the board is nominated by the unitholders. Currently there are eight directors of EnerMark, a majority of which are independent, including the Chairman of the board of directors. The board of directors is responsible for the annual renewal, for continuous three year terms, of the management agreement pursuant to which EGEM is engaged, with the current term expiring on June 30, 2005. For further details, please read "Management and Corporate Governance."

Our Properties

Substantially all of our oil and natural gas properties are located in western Canada in the provinces of Alberta, British Columbia and Saskatchewan. As of January 1, 2002, we had established reserves of 132 MMBbls of crude oil and NGLs and 1,082 Bcf of natural gas, for a total of 312 MMBoe, and net proved reserves of 91 MMBbls of crude oil and NGLs and 745 Bcf of natural gas, for a total of 215 MMBoe. For the nine month period ended September 30, 2002, our properties produced, on a barrel of oil equivalent basis, approximately 55% natural gas, 38% crude oil and 7% NGLs. The gross average daily production from our properties for the nine months ended September 30, 2002 was 204,463 Mcf/day of natural gas and 27,416 Bbls/day of crude oil and NGLs, for a total of 61,493 Boe/day.

For a description of the general characteristics of the principal regions in which our properties are located, please read "Business Our Properties."

The following table shows our principal properties by region, together with the gross average daily production for the nine months ended September 30, 2002 attributable to our interests in each property.

	Gross Average Daily Production for the Nine Months Ended September 30, 2002
	Total

	Gross Average Daily Production for the Nine Months Ended September 30, 2002			
	Oil and NGLs	Natural Gas		% of Total Production
	(Bbls/day)	(Mcf/day)	(Boe/day)	(%)
Principal Properties:				
North West Region				
Deep Basin	631	11,219	2,501	4.1%
Valhalla	762	8,610	2,197	3.6
Progress	759	5,527	1,680	2.7
Cranberry	68	3,060	578	0.9
Central Region				
Joarcam	2,194	5,743	3,151	5.1
Pembina 5 Way/South Buck Lake	2,395	1,592	2,660	4.3
Kaybob	344	4,953	1,170	1.9
Pine Creek	224	4,522	978	1.6
Willesden Green	208	2,748	666	1.1
East Central Region				
Giltedge	1,635	416	1,704	2.8
Gleneath	1,038	390	1,103	1.8
Auburndale	559	573	655	1.1
Hayter	676	14	678	1.1
Kessler	576	101	593	1.0
Cadogan	442		442	0.7
David	372	58	382	0.6
South Central Region				
Hanna/Garden Plains	2	12,500	2,085	3.4
Benjamin	13	12,425	2,084	3.4
Sylvan Lake	689	3,556	1,282	2.1
Ferrier	240	4,738	1,030	1.7
Bashaw	16	3,491	598	1.0
Harmattan	221	1,257	431	0.7
South East Region				
Medicine Hat Region	7	35,690	5,955	9.7
Medicine Hat Glauconite "C"	1,152	1,248	1,360	2.2
Jenner	394	1,883	708	1.2
Other	11,799	78,149	24,822	40.2
Total	27,416	204,463	61,493	100.0%

We actively manage our portfolio of oil and natural gas properties through our acquisition, divestiture and development activities. Our properties generally have the following characteristics:

Long-life properties with predictable production profiles. The majority of our properties have predictable production profiles and are relatively long-life properties. This facilitates our ability to generate relatively stable and predictable production from our properties. As of January 1, 2002, the established reserve life index and R/P ratio of our properties was 14.0 years and 9.4 years, respectively.

Diversified and balanced portfolio of assets with focus on core areas. Our portfolio of properties is both diversified, from a geographical and geological perspective, and well balanced between liquids and natural gas. Our properties are located throughout the Western Canadian Sedimentary Basin and access both shallow and deep producing horizons. For the nine months ended September 30, 2002, production from our properties was approximately 55% natural gas and 45% crude oil and NGLs, on a Boe basis. We are not dependent on any single property for a significant portion of our production as no single property currently represents more than 10% of our total production. Notwithstanding this diversity, our top 25 principal properties currently represent approximately 60% of our total production. Our focus on these core areas increases the efficiency of our operations and generally allows us to reduce operating costs, develop a strong understanding of the characteristics of these properties and continue to expand in these areas as we identify favourable opportunities.

Substantial development opportunities. We have identified development opportunities to mitigate declines in production, upgrade our reserves and extend the useful lives of many of our properties. We believe that these opportunities will allow us to add to our production at costs that are typically lower than through acquisitions. Our development activities have historically been relatively low-risk. In 2001, we participated in the drilling of 321.6 net development wells with a 99% success rate. For the nine months ended September 30, 2002, we participated in the drilling of 181.0 net development wells with a 99% success rate.

High level of operatorship. As at September 30, 2002, we operated properties comprising approximately 65% of our production. By operating our properties we are better able to control both the operating costs and the optimization of recovery from our reserves.

Acquisition and Development Activities

Since we do not engage in exploration activities, we rely primarily upon acquisitions to both replenish and add to our oil and natural gas reserves. In pursuing acquisitions, we employ a focused and disciplined strategy to ensure that the reserves being considered are a strategic fit with our existing portfolio of properties. We have typically funded our acquisitions through either borrowings from our existing credit facility or the direct issuance of trust units. Borrowings are subsequently repaid through the issuance of additional trust units or from internally generated cash flows. This strategy provides us with the flexibility to respond to acquisition opportunities.

A common strategy of E&P companies is to divest mature properties in order to redeploy capital into higher-risk exploration. Because of our focus on exploiting mature properties, we provide them with a ready, accessible market for those divestitures. To the extent that our acquisitions include undeveloped properties, we enter into farmout or swap agreements under which an E&P company will explore and drill the undeveloped properties on our behalf, generally at no cost to us, in exchange for a portion of our interests in the property. Additionally, our size facilitates our ability to make relatively large acquisitions as compared to many of our competitors. Finally, the tax effectiveness of our trust structure allows us to bid competitively for oil and natural gas properties against less tax-efficient entities.

We undertake lower-risk development activities to mitigate declines in total production, upgrade our reserves and extend the useful lives of many of our properties. Development activities are particularly important to us during periods when there are a limited number of attractive acquisition opportunities. Our development activities provide a lower-risk, less capital intensive alternative for increasing production volumes than do traditional exploration activities. Our development activities are typically funded through debt which is subsequently repaid through issuances of trust units and internally-generated cash flow.

Recent Developments

Potential Acquisitions

We continue to evaluate potential acquisitions of oil and natural gas properties, companies and trusts and other energy-related assets as part of our ongoing acquisition program. We are currently in negotiations regarding several potential acquisitions which together could have purchase prices aggregating approximately $200 million. As of the date of this prospectus, we have not reached agreement with the potential sellers on the price or terms of any of the potential acquisitions. Accordingly, we cannot predict whether any of these current opportunities will result in one or more acquisitions for the Fund.

Acquisition of Celsius Energy Resources Ltd.

On October 21, 2002, we acquired all of the outstanding shares and retired the debt of Celsius Energy Resources Ltd., a private oil and natural gas producer based in Calgary, Alberta which was a wholly owned Canadian subsidiary of U.S.-based Questar Market Resources Inc., for total cash consideration of $165.9 million, after working capital adjustments. On October 22, 2002, Celsius was amalgamated with EnerMark.

The Celsius properties are primarily located in Alberta and northeastern British Columbia. Many of the Celsius properties are located in areas in which we were active prior to the acquisition, including the Verger, Countess, Pine Creek and Deep Basin areas. The gross average daily production from the Celsius properties for September 2002 was approximately 5,750 Boe/day consisting of a 22,476 Mcf/day of natural gas, 1,724 Bbls/day of crude oil and 280 Bbls/day of NGLs. We estimate that the Celsius properties contained 18 MMBoe of established reserves as of July 31, 2002, resulting in an acquisition cost of $27,826 per daily producing Boe and $8.89 per Boe of established reserves. The Celsius properties have operating characteristics that are generally consistent with our existing properties. Included in the acquisition are approximately 103,000 net acres of undeveloped land that will provide further development opportunities to us through potential farmout and swap agreements.

Please read "Appendix B Information Regarding Celsius Energy Resources Ltd.," which contains additional information regarding the operations and reserves of Celsius, including a description of certain assumptions made in preparing the reserve evaluations of Celsius.

Issuance of Trust Units

On September 12, 2002, we completed an offering of 4,750,000 trust units for gross proceeds of $127,538,000. The offering was conducted exclusively in Canada, and the net proceeds of $120,886,000 were used to reduce debt incurred with respect to acquisitions, capital expenditures and general corporate expenditures.

Issuance of Senior Unsecured Notes

On June 19, 2002, EnerMark completed the private placement of US$175 million of senior unsecured notes to a group of United States institutional investors. The notes have a coupon rate of 6.62% based on the par price and have a twelve year term with a ten year average life, as 20% of the principal repayment is required on June 19, 2010 and annually thereafter, until June 19, 2014. The net proceeds were used to repay bank indebtedness, which reduced the amount of credit available under EnerMark's bank facilities.

The Offering

Trust units offered by Enerplus Resources Fund	7,000,000 trust units
Trust units to be outstanding after the offering	81,811,975 trust units
Over-allotment option	1,050,000 trust units
New York Stock Exchange symbol	ERF
Toronto Stock Exchange symbol	ERF.UN
Use of proceeds	We will use the net proceeds from this offering to reduce outstanding borrowings under our credit facilities. These outstanding borrowings were incurred in connection with our acquisition of Celsius and our ongoing acquisition and development activities. Our credit facility may thereafter be drawn upon from time to time to finance acquisitions (including those described under "Recent

	Developments Potential Acquisitions"), development projects or for general working capital purposes. Please read "Use of Proceeds."
Risk factors	An investment in our trust units involves risks. See "Risk Factors" beginning on page 17 of this prospectus.
Timing of next distribution	Cash distributions by the Fund are generally payable on the twentieth day of each month to unitholders of record on the tenth day or the immediately preceding business day of such month. A distribution of $0.30 (US$0.19) per trust unit was paid in November 2002. Purchasers in this offering will be eligible to receive the distribution for December 2002 on December 20, 2002 (so long as the purchaser is a unitholder of record on December 10, 2002). Cash distributions payable to United States holders are payable on the same date and are converted into U.S. dollars. Please read "Distributions" for further details and "Certain Income Tax Considerations Canadian Federal Income Tax Considerations Taxation of Unitholders Not Resident in Canada" for a discussion of the Canadian withholding tax applicable to United States holders.
U.S. tax considerations	We are a corporation, and not a partnership, for United States federal income tax purposes. The ownership or sale of trust units by a regulated investment company or mutual fund will generate qualifying income to it, and a trust unit will be treated as a qualifying asset. Please read "Certain Income Tax Considerations United States Federal Income Tax Considerations for United States Holders."

The number of trust units to be outstanding after the offering is based on 74,811,975 trust units outstanding as of October 31, 2002 and assumes no exercise of the underwriters' over-allotment option. It does not include 1,483,633 trust units that may be issued upon exercise of options and rights outstanding as of October 31, 2002 under our trust unit option or rights incentive plans.

Unless otherwise indicated, the information presented in this prospectus assumes the underwriters' over-allotment option is not exercised.

Summary Operating Information

The following table contains a summary of certain of our operating information for the periods indicated. The operating information for 1999, 2000 and up to June 21, 2001 contained in the following table is only that of EnerMark Income Fund. Information attributable to the operations of pre-merger Enerplus is not included. Operating information of the merged Fund is included in the 2001 information from June 21, 2001 forward. Please read "Presentation of Our Financial and Operational Information."

	Year Ended December 31,			Nine Months Ended September 30,
	1999	2000	2001	2002
Gross Daily Average Production:				
Oil and natural gas liquids (Bbls/day)	13,396	14,200	24,570	27,416
Natural gas (Mcf/day)	71,713	101,473	176,671	204,463
Total (Boe/day)	25,348	31,112	54,015	61,493
Average Realized Price:(1)				
Oil ($ per Bbl)	$ 23.26	$ 33.67	$ 31.21	$ 33.30
Natural gas ($ per Mcf)	2.33	4.53	5.60	3.43
Natural gas liquids ($ per Bbl)	16.14	32.33	31.12	23.06
Combined ($ per Boe)	18.32	30.14	32.43	25.52
Crown, freehold and other royalties ($ per Boe)	$ 3.47	$ 7.10	$ 6.73	$ 5.27
Operating costs ($ per Boe)	$ 4.02	$ 4.83	$ 6.09	$ 5.71

(1) Average realized prices are inclusive of hedging activity. Please read "Business Risk Management."

Summary Reserve Information

The following tables show selected oil and natural gas reserve data for Enerplus. The following information has been derived from the report prepared by Sproule Associates Limited with respect to our reserves as of January 1, 2002, which was the effective date of our last independent reserves evaluation. Sproule is a large, established Canadian independent firm of petroleum engineers. These tables should be read together with the information under "Appendix A Enerplus Reserves Information" and, in particular, the notes following the reserves tables contained in Appendix A, which include a description of certain assumptions made in preparing our reserve evaluations. Certain columns may not add due to rounding. For a description of certain terms used below and certain differences between estimating reserves under Canadian and U.S. reserve disclosure guidelines, please read "Presentation of Our Reserve Information" and "Glossary of Terms."

Reserves as of January 1, 2002
Canadian Presentation
(Gross Reserves Using Escalated Prices and Costs)

					Estimated Future Net Cash Flow[1]	
	Crude Oil	Natural Gas Liquids	Natural Gas	Total	Undiscounted	Discounted at 10%
	(MBbls)	(MBbls)	(MMcf)	(MBoe)	(in thousands)	
Proved reserves:						
Developed producing	86,770	13,685	722,692	220,904	$ 2,992,588	$ 1,376,940
Developed non-producing	620	512	58,791	10,930	157,757	78,807
Undeveloped	7,457	1,917	169,650	37,649	401,713	170,532
Total proved reserves	94,847	16,114	951,133	269,483	3,552,058	1,626,279
Probable reserves (risked at 50%)	18,821	2,337	130,345	42,882	644,955	159,099