



**PRODUCT PRICE AND MARKET FORECASTS  
FOR THE CANADIAN OIL AND GAS INDUSTRY**

**April 1, 2008**

Prepared by  
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**April 1, 2008**

GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to March 2008. Information sources include numerous government agencies, industry publications, Canadian oil refiners and natural gas marketers. The accuracy of all factual data, from all sources has been accepted as represented without detailed investigation by GLJ Petroleum Consultants. The forecasts presented herein are based on an informed interpretation of currently available data. While they are considered reasonable at this time, users of these forecasts should understand the inherent high uncertainty in forecasting any commodity or market. These forecasts will be revised periodically as market, economic and political conditions change. These future revisions may be significant.

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GLJ Petroleum Consultants has completed our commodity price forecasts as presented on the attachments. Revisions in the forecasts reflective of current market conditions have been incorporated. The forecast and comparison to historical prices and historical forward prices are presented on page 7. A summary of near-term forecasts follows:

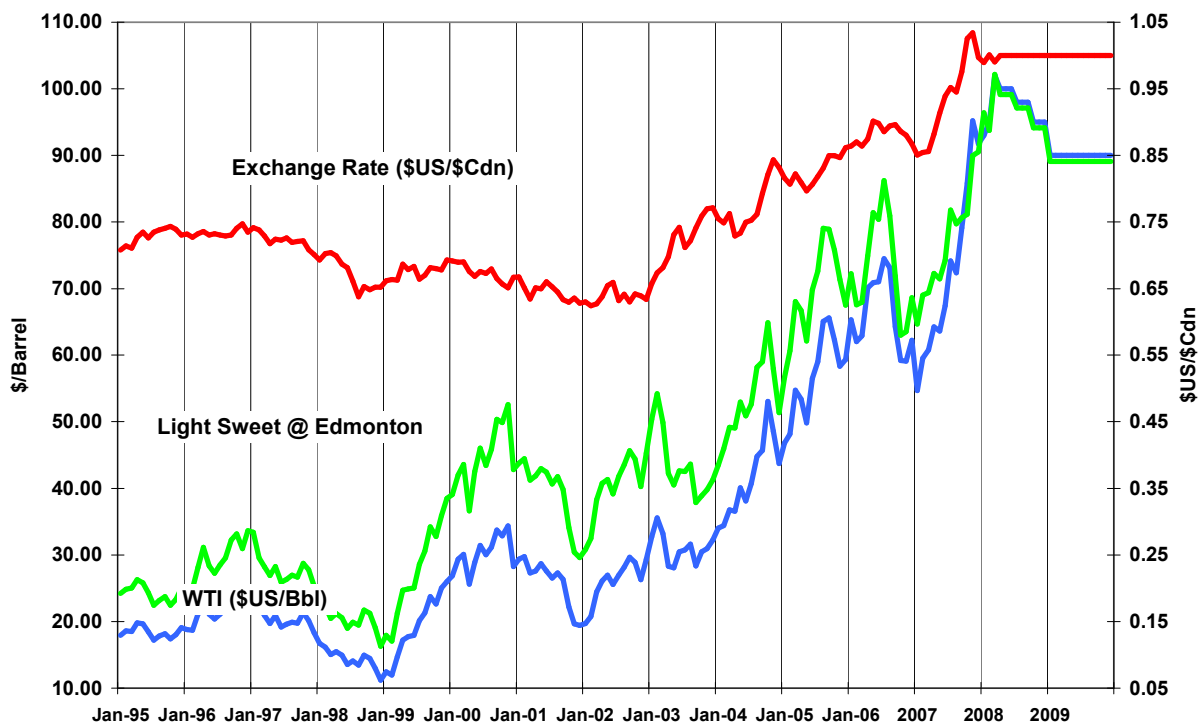
**NATURAL GAS PRICES**

	January 1, 2008 Calendar Year	April 1, 2008 Calendar Year
<b>Henry Hub Gas Price - (\$US/MMBTU)</b>		
2008	7.50	9.08
2009	8.25	9.00
<b>Chicago 30 Day Spot Gas Price - (\$US/MMBTU)</b>		
2008	7.40	9.13
2009	8.20	9.00
<b>Sumas 30 Day Spot Gas Price - (\$US/MMBTU)</b>		
2008	6.90	8.69
2009	7.70	8.45
<b>AECO-C 30 Day Spot Gas Price - (\$Cdn/MMBTU)</b>		
2008	6.75	8.11
2009	7.55	8.20
<b>Average Alberta Plant-Gate Gas Price - (\$Cdn/MMBTU)</b>		
2008	6.53	7.88
2009	7.33	7.96
<b>Aggregator Plant-Gate Gas Price - (\$Cdn/MMBTU)</b>		
2008	6.17	7.50
2009	6.99	7.60
<b>B.C. 30 Day Spot Plant-Gate Gas Price - (\$Cdn/MMBTU)</b>		
2008	6.35	7.78
2009	7.15	7.79

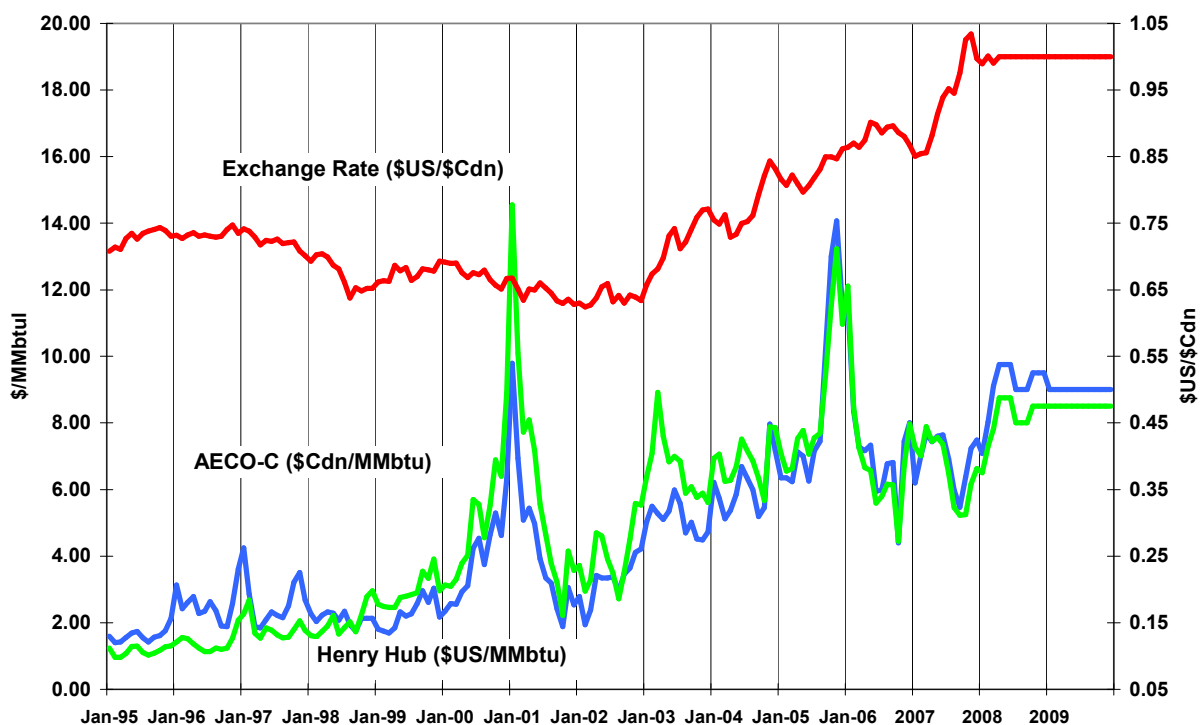
**CRUDE OIL PRICES**

	January 1, 2008 Calendar Year	April 1, 2008 Calendar Year
<b>WTI @ Cushing Price - (\$US/BBL)</b>		
2008	92.00	97.41
2009	88.00	90.00
<b>Light, Sweet @ Edmonton Price - (\$Cdn/BBL)</b>		
2008	91.10	96.93
2009	87.10	89.10

### Oil Price History and Forecast



### Natural Gas Price History and Forecast



**Table 1**  
GLJ Petroleum Consultants  
**Crude Oil and Natural Gas Liquids**  
**Price Forecast**  
Effective April 1, 2008

Year	Inflation %	Bank of Canada Average Noon Exchange Rate \$US/\$Cdn	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing Oklahoma		ICE BRENT Near Month Futures Contract Crude Oil FOB North Sea		Light, Sweet Crude Oil (40 API, 0.3%S) at Edmonton		Lloyd Blend Stream Quality at Hardisty		Heavy Crude Oil Proxy (12 API) at Hardisty		Medium Crude Oil (29 API, 2.0%S) at Cromer		Alberta Natural Gas Liquids (Then Current Dollars)				
			Constant 2008 \$	Then Current \$US/bbl	Constant 2008 \$	Then Current \$US/bbl	Constant 2008 \$	Then Current \$Cdn/bbl	Constant 2008 \$	Then Current \$Cdn/bbl	Constant 2008 \$	Then Current \$Cdn/bbl	Constant 2008 \$	Then Current \$Cdn/bbl	Spec Ethane \$Cdn/bbl	Edmonton Propane \$Cdn/bbl	Edmonton Butane \$Cdn/bbl	Edmonton Pentanes Plus \$Cdn/bbl	
1996	1.5	0.733	27.98	21.98	25.86	20.31	37.40	29.38	26.67	20.95	25.55	20.06	33.20	26.08	n/a	23.13	17.83	30.05	
1997	1.6	0.722	25.84	20.62	24.21	19.32	34.90	27.85	25.04	19.98	18.06	14.41	29.73	23.72	n/a	19.41	19.76	30.91	
1998	1.0	0.675	17.80	14.44	16.46	13.34	25.10	20.36	18.44	14.95	11.66	9.45	20.91	16.96	n/a	11.74	12.69	21.87	
1999	1.7	0.673	23.54	19.25	21.99	17.99	33.78	27.63	27.07	22.14	23.83	19.49	31.01	25.37	n/a	15.86	18.65	27.64	
2000	2.7	0.673	36.30	30.23	34.11	28.41	53.51	44.57	39.17	32.61	33.04	27.49	47.93	39.92	n/a	32.15	35.59	46.31	
2001	2.5	0.646	30.41	26.00	29.09	24.87	46.13	39.44	27.46	23.47	19.62	16.77	36.95	31.58	n/a	31.92	31.25	42.48	
2002	2.2	0.637	29.74	26.08	28.53	25.02	45.98	40.33	34.89	30.60	30.29	26.57	40.46	35.48	n/a	21.39	27.08	40.73	
2003	2.8	0.716	34.64	31.07	31.74	28.47	48.70	43.66	34.79	31.18	29.31	26.26	41.88	37.55	n/a	32.14	34.36	44.23	
2004	1.8	0.770	44.91	41.38	41.26	38.02	57.47	52.96	39.40	36.31	31.59	29.11	49.53	45.64	n/a	34.70	39.97	53.94	
2005	2.2	0.826	60.28	56.58	58.74	55.14	73.52	69.02	45.84	43.03	36.29	34.07	60.48	56.77	n/a	43.04	51.80	69.57	
2006	2.0	0.882	69.02	66.22	68.95	66.16	76.30	73.21	52.50	50.36	43.62	41.84	64.89	62.26	n/a	43.85	60.18	75.41	
2007	2.1	0.935	73.97	72.39	74.30	72.71	78.74	77.06	53.16	52.03	44.36	43.42	67.13	65.71	n/a	49.23	61.37	77.38	
2008 Q1 (e)	1.9	0.993	96.62	96.62	95.70	95.70	97.41	97.41	71.41	71.41	61.17	61.17	84.47	84.47	n/a	58.74	81.45	98.51	
2008 Q2	2.0	1.000	100.00	100.00	98.50	98.50	99.10	99.10	71.35	71.35	61.43	61.43	85.23	85.23	29.61	62.43	79.28	101.08	
2008 Q3	2.0	1.000	98.00	98.00	96.50	96.50	97.10	97.10	69.91	69.91	60.17	60.17	83.51	83.51	27.03	61.17	77.68	99.04	
2008 Q4	2.0	1.000	95.00	95.00	93.50	93.50	94.10	94.10	63.99	63.99	53.39	53.39	80.93	80.93	28.75	59.28	75.28	95.98	
2008 Full Year	2.0	0.998	97.41	97.41	96.05	96.05	96.93	96.93	69.17	69.17	59.04	59.04	83.53	83.53	28.46	60.41	78.42	98.65	
2008 Q2-Q4	2.0	1.000	97.67	97.67	96.17	96.17	96.77	96.77	68.42	68.42	58.33	58.33	83.22	83.22	28.46	60.96	77.41	98.70	
2009	2.0	1.000	88.24	90.00	86.77	88.50	87.35	89.10	61.15	62.37	51.78	52.82	75.12	76.63	27.71	56.13	71.28	90.88	
2010	2.0	1.000	82.66	86.00	81.22	84.50	81.80	85.10	57.26	59.57	48.44	50.40	70.34	73.19	27.37	53.61	68.08	86.80	
2011	2.0	1.000	80.10	85.00	78.68	83.50	79.25	84.10	55.48	58.87	46.92	49.80	68.15	72.33	26.85	52.98	67.28	85.78	
2012	2.0	1.000	78.53	85.00	77.14	83.50	77.70	84.10	54.39	58.87	46.00	49.80	66.82	72.33	27.06	52.98	67.28	85.78	
2013	2.0	1.000	76.99	85.00	75.63	83.50	76.17	84.10	54.08	59.71	46.09	50.89	65.51	72.33	27.65	52.98	67.28	85.78	
2014	2.0	1.000	75.48	85.00	74.15	83.50	74.68	84.10	53.77	60.55	46.16	51.98	64.22	72.33	28.27	52.98	67.28	85.78	
2015	2.0	1.000	75.00	86.15	73.69	84.65	74.22	85.25	54.18	62.23	46.85	53.82	63.83	73.32	28.89	53.71	68.20	86.96	
2016	2.0	1.000	75.00	87.87	73.72	86.37	74.23	86.97	54.93	64.36	47.84	56.05	63.84	74.79	29.51	54.79	69.58	88.71	
2017	2.0	1.000	75.00	89.63	73.74	88.13	74.25	88.73	54.94	65.66	47.87	57.21	63.85	76.31	30.16	55.90	70.98	90.51	
2018+	2.0	1.000	75.00	+2.0%/yr	73.74	+2.0%/yr	74.25	+2.0%/yr	54.94	+2.0%/yr	47.87	+2.0%/yr	63.85	+2.0%/yr		Escalate at 2.0 % per year			

Historical futures contract price is an average of the daily settlement price of the near month contract over the calendar month.

Revised 31-Mar-08

**Table 2**  
**GLJ Petroleum Consultants**  
**Natural Gas and Sulphur**  
**Price Forecast**  
**Effective April 1, 2008**

Year	NYMEX Futures Contract		Midwest		Alberta Plant Gate					Saskatchewan Plant Gate			British Columbia		Sulphur	Sulphur	
	Last 3 Day Price		Price @ Chicago	AECO/NIT Spot	Spot		ARP	Aggregator	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast	Plant Gate	Vancouver	Sulphur FOB	Sulphur at Plant Gate
	Constant 2008 \$	Then Current	Then Current	Then Current	Constant 2008 \$	Then Current											
1996	3.24	2.55	2.73	1.39	1.60	1.26	1.63	N/A	N/A	1.52	1.28	1.32	1.49	1.47	36.28	6.48	
1997	3.30	2.63	2.75	1.85	2.13	1.70	1.97	N/A	N/A	1.85	1.75	1.71	1.90	1.98	34.75	5.12	
1998	2.64	2.14	2.21	2.03	2.31	1.87	1.94	N/A	N/A	2.05	2.13	1.60	2.15	2.00	24.59	-6.51	
1999	2.78	2.27	2.33	2.92	3.37	2.75	2.48	N/A	N/A	2.82	2.97	2.15	2.93	2.78	33.74	6.93	
2000	4.69	3.91	3.96	5.08	5.91	4.93	4.50	4.44	N/A	4.79	5.16	4.15	5.06	4.88	38.14	13.59	
2001	5.13	4.38	4.45	6.23	7.11	6.07	5.41	4.97	5.29	5.72	6.20	4.57	6.32	6.29	18.29	-14.67	
2002	3.71	3.25	3.25	4.04	4.43	3.88	3.88	3.64	3.66	4.04	4.08	2.68	4.18	3.93	29.38	3.04	
2003	6.07	5.44	5.46	6.66	7.24	6.49	6.13	5.87	6.15	6.41	6.68	4.66	6.45	6.32	59.81	39.83	
2004	6.61	6.09	6.13	6.88	7.27	6.70	6.31	6.16	6.39	6.48	6.85	5.26	6.56	6.45	62.99	38.61	
2005	9.11	8.55	8.24	8.58	8.96	8.42	8.30	8.27	8.29	8.36	8.31	7.13	8.22	8.12	63.50	33.77	
2006	7.57	7.26	6.93	7.16	7.25	6.96	6.57	6.36	6.34	6.67	6.97	6.27	6.58	6.45	55.07	19.27	
2007	7.07	6.92	6.83	6.65	6.57	6.43	6.20	6.13	5.86	6.18	6.40	6.52	6.40	6.25	81.66	41.55	
2008 Q1 (e)	8.07	8.07	8.25	7.21	6.97	6.97	6.50	6.84	6.79	7.18	7.00	8.17	7.29	7.08	253.99	210.00	
2008 Q2	9.75	9.75	9.75	8.75	8.51	8.51	8.39	8.03	8.14	8.52	8.66	9.20	8.55	8.34	400.00	357.00	
2008 Q3	9.00	9.00	9.00	8.00	7.77	7.77	7.66	7.33	7.43	7.79	7.91	8.45	7.80	7.60	350.00	307.00	
2008 Q4	9.50	9.50	9.50	8.50	8.26	8.26	8.15	7.80	7.90	8.28	8.41	8.95	8.30	8.09	350.00	307.00	
2008 Full Year	9.08	9.08	9.13	8.11	7.88	7.88	7.67	7.50	7.56	7.94	8.00	8.69	7.99	7.78	338.50	295.25	
2008 Q2-Q4	9.42	9.42	9.42	8.42	8.18	8.18	8.06	7.72	7.82	8.19	8.33	8.87	8.22	8.01	366.67	323.67	
2009	8.82	9.00	9.00	8.20	7.81	7.96	7.87	7.60	7.42	8.00	8.11	8.45	8.00	7.79	350.00	307.00	
2010	8.41	8.75	8.75	8.10	7.56	7.87	7.80	7.59	7.17	7.93	8.01	8.20	7.90	7.70	250.00	207.00	
2011	8.10	8.60	8.70	7.95	7.27	7.72	7.65	7.44	7.13	7.78	7.86	8.05	7.75	7.55	200.00	157.00	
2012	8.00	8.66	8.76	8.01	7.18	7.78	7.71	7.50	7.19	7.84	7.92	8.11	7.81	7.61	150.00	107.00	
2013	8.00	8.83	8.93	8.18	7.20	7.94	7.87	7.66	7.35	8.00	8.09	8.28	7.98	7.77	153.00	110.00	
2014	8.00	9.01	9.11	8.36	7.21	8.12	8.05	7.83	7.52	8.18	8.27	8.46	8.16	7.95	156.06	113.06	
2015	8.00	9.19	9.29	8.54	7.23	8.30	8.23	8.01	7.69	8.36	8.45	8.64	8.34	8.13	159.18	116.18	
2016	8.00	9.37	9.47	8.72	7.24	8.48	8.40	8.18	7.86	8.53	8.63	8.82	8.52	8.31	162.36	119.36	
2017	8.00	9.56	9.66	8.91	7.25	8.67	8.59	8.36	8.04	8.72	8.82	9.01	8.71	8.50	165.61	122.61	
2018+	8.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	7.25	+2.0%/yr				Escalate at 2.0 % per year						+2.0%/yr	

Unless otherwise stated, the gas price reference point is the receipt point on the applicable provincial gas transmission system known as the plant gate.  
The plant gate price represents the price before raw gas gathering and processing charges are deducted.  
AECO-C Spot refers to the one month price averaged for the year.  
Historical futures contract price is an average of the daily settlement price over the last 3 days of the near month contract.

Revised 31-Mar-08