



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

**April 1, 2012**

Prepared by  
Tyler J. Schlosser, P. Eng.  
Leonard Herchen, P. Eng.

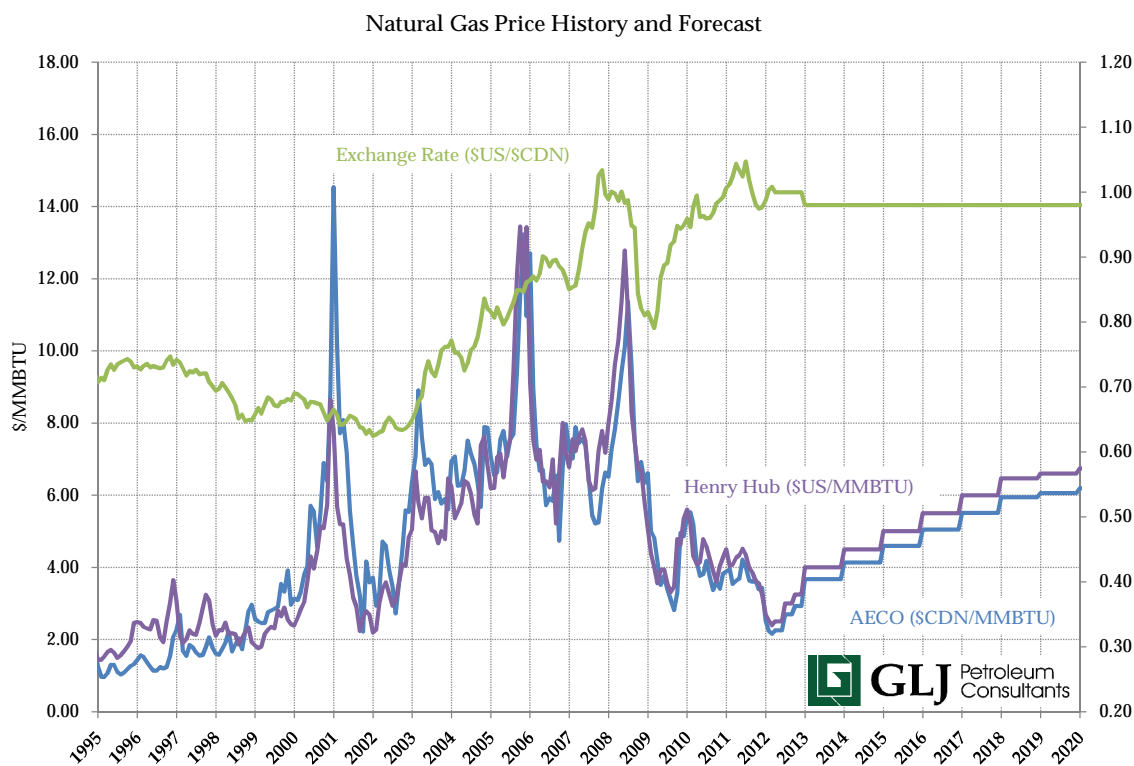
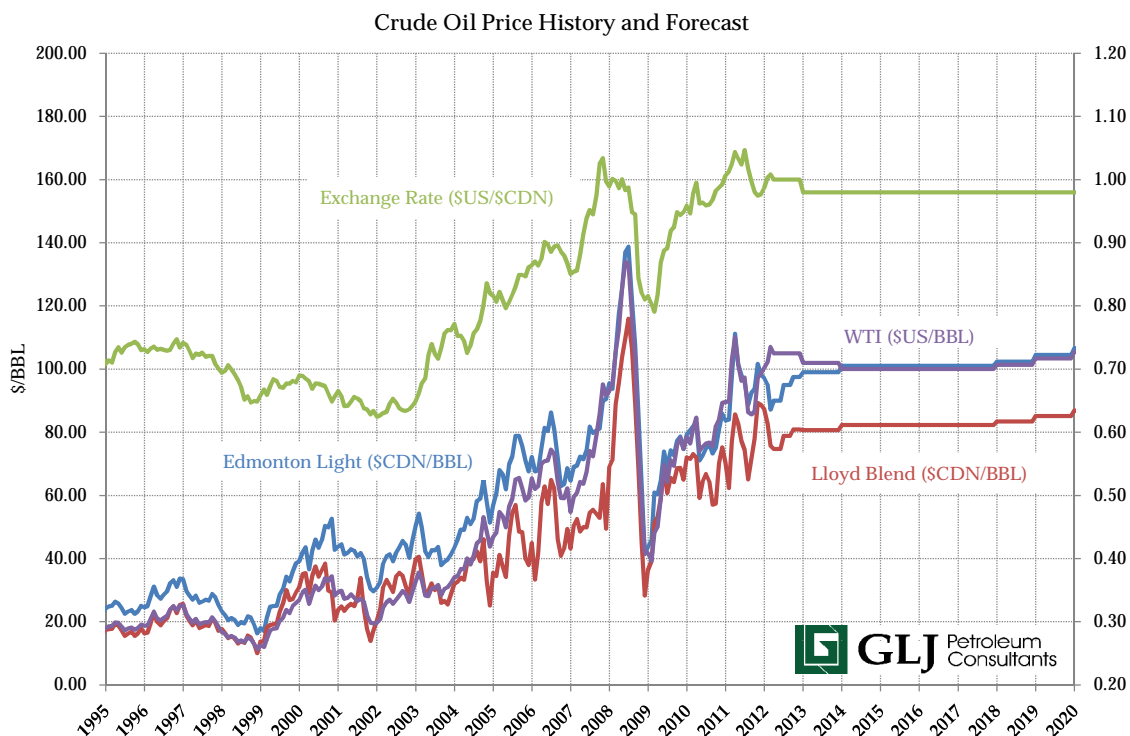
4100, 400 - Third Avenue S.W., Calgary, Alberta, Canada T2P 4H2  
Internet: <http://www.GLJPC.com>

**April 1, 2012**

GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to March 2012. 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.

**GLJ PETROLEUM CONSULTANTS**  
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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. Widely followed benchmarks are presented graphically below:



**Table 1**  
**GLJ Petroleum Consultants Ltd.**  
**Crude Oil and Natural Gas Liquids**  
**Price Forecast**  
 Effective April 1, 2012

| 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 | Bow River Crude Oil Stream Quality at Hardisty | Lloyd Blend Crude Oil Stream Quality at Hardisty | WCS Stream Quality at Hardisty | Heavy Crude Oil Proxy (12 API) at Hardisty | Light Crude Oil (35 API, 1.2%S) at Cromer | Medium Crude Oil (29 API, 2.0%S) at Cromer | Alberta Natural Gas Liquids (Then Current Dollars) |                       |                            |                           |
|----------------|-------------|--|---|-----------------------|---|--|--|--|--------------------------------|--|---|--|--|-----------------------|----------------------------|---------------------------|
|                |             |  | Constant 2012 \$  | Then Current \$US/bbl | Then Current \$US/bbl   | Then Current \$Cdn/bbl                           | Then Current \$Cdn/bbl                         | Then Current \$Cdn/bbl                           | Then Current \$Cdn/bbl         | Then Current \$Cdn/bbl                     | Then Current \$Cdn/bbl                    | Then Current \$Cdn/bbl                     | Then Current \$Cdn/bbl                             | Spec Ethane \$Cdn/bbl | Edmonton Propane \$Cdn/bbl | Edmonton Butane \$Cdn/bbl |
| 2000           | 2.7         | 0.673  | 39.10   | 30.23                 | 28.41   | 44.57  | 35.28  | 32.61  | N/A                            | 27.49                                      | 43.28                                     | 39.92                                      | N/A  | 32.15                 | 35.59                      | 46.31                     |
| 2001           | 2.5         | 0.646  | 32.74   | 26.00                 | 24.87   | 39.44  | 27.69  | 23.47  | N/A                            | 16.77                                      | 35.22                                     | 31.58                                      | N/A  | 31.92                 | 31.25                      | 42.48                     |
| 2002           | 2.3         | 0.637  | 32.03   | 26.08                 | 25.02   | 40.33  | 31.83  | 30.60  | N/A                            | 26.57                                      | 37.43                                     | 35.48                                      | N/A  | 21.39                 | 27.08                      | 40.73                     |
| 2003           | 2.8         | 0.716  | 37.30   | 31.07                 | 28.47   | 43.66  | 32.11  | 31.18  | N/A                            | 26.26                                      | 40.09                                     | 37.55                                      | N/A  | 32.14                 | 34.36                      | 44.23                     |
| 2004           | 1.8         | 0.770  | 48.38   | 41.38                 | 38.02   | 52.96  | 37.43  | 36.31  | N/A                            | 29.11                                      | 49.14                                     | 45.64                                      | N/A  | 34.70                 | 39.97                      | 53.94                     |
| 2005           | 2.2         | 0.826  | 64.93   | 56.58                 | 55.14   | 69.02  | 44.73  | 43.03  | 43.74                          | 34.07                                      | 62.18                                     | 56.77                                      | N/A  | 43.04                 | 51.80                      | 69.57                     |
| 2006           | 2.0         | 0.882  | 74.31   | 66.22                 | 66.16   | 73.21  | 51.82  | 50.36  | 50.66                          | 41.84                                      | 66.38                                     | 62.26                                      | N/A  | 43.85                 | 60.17                      | 75.41                     |
| 2007           | 2.2         | 0.935  | 79.69   | 72.39                 | 72.71   | 77.06  | 53.64  | 52.03  | 52.38                          | 43.42                                      | 71.13                                     | 65.71                                      | N/A  | 49.56                 | 61.78                      | 77.38                     |
| 2008           | 2.4         | 0.943  | 107.27  | 99.64                 | 98.30   | 102.89   | 84.31  | 82.60  | 82.95                          | 74.94                                      | 96.08                                     | 93.10                                      | N/A  | 58.38                 | 75.33                      | 104.78                    |
| 2009           | 0.4         | 0.880  | 64.98   | 61.78                 | 62.50   | 66.32  | 60.18  | 58.40  | 58.66                          | 54.46                                      | 63.84                                     | 62.96                                      | N/A  | 38.03                 | 48.17                      | 68.17                     |
| 2010           | 1.8         | 0.971  | 83.30   | 79.52                 | 80.25   | 77.87  | 68.45  | 66.95  | 67.27                          | 60.76                                      | 76.58                                     | 73.76                                      | N/A  | 46.84                 | 65.91                      | 84.27                     |
| 2011           | 2.9         | 1.012  | 97.91   | 95.12                 | 110.86  | 95.53  | 78.58  | 76.84  | 77.14                          | 67.64                                      | 92.35                                     | 88.33                                      | N/A  | 53.66                 | 74.42                      | 104.17                    |
| 2012 Q1 (e)    | 2.5         | 1.000  | 103.19  | 103.19                | 118.17  | 93.11  | 83.44  | 81.91  | 82.14                          | 72.29                                      | 91.49                                     | 88.07                                      | N/A  | 40.45                 | 70.50                      | 110.63                    |
| 2012 Q2        | 2.0         | 1.000  | 105.00  | 105.00                | 120.00  | 90.00  | 76.50  | 74.70  | 75.00                          | 62.36                                      | 85.50                                     | 82.80                                      | 7.18   | 45.00                 | 70.20                      | 112.50                    |
| 2012 Q3        | 2.0         | 1.000  | 105.00  | 105.00                | 120.00  | 95.00  | 80.75  | 78.85  | 79.15                          | 67.88                                      | 90.25                                     | 87.40                                      | 8.73   | 47.50                 | 74.10                      | 112.10                    |
| 2012 Q4        | 2.0         | 1.000  | 105.00  | 105.00                | 120.00  | 97.50  | 82.88  | 80.93  | 81.22                          | 70.86                                      | 92.63                                     | 89.70                                      | 9.51   | 48.75                 | 76.05                      | 111.15                    |
| 2012 Full Year | 2.1         | 1.000  | 104.55  | 104.55                | 119.54  | 93.90  | 80.89  | 79.10  | 79.38                          | 68.35                                      | 89.97                                     | 86.99                                      | N/A  | 45.42                 | 72.71                      | 111.59                    |
| 2012 Q2-Q4     | 2.0         | 1.000  | 105.00  | 105.00                | 120.00  | 94.17  | 80.04  | 78.16  | 78.46                          | 67.03                                      | 89.46                                     | 86.63                                      | 8.47   | 47.08                 | 73.45                      | 111.92                    |
| 2013           | 2.0         | 0.980  | 100.00  | 102.00                | 112.00  | 98.98  | 82.65  | 80.67  | 80.97                          | 71.21                                      | 94.03                                     | 91.06                                      | 12.09  | 59.39                 | 77.20                      | 108.88                    |
| 2014           | 2.0         | 0.980  | 96.12   | 100.00                | 105.00  | 101.02   | 84.35  | 82.33  | 82.63                          | 74.51                                      | 94.96                                     | 91.93                                      | 13.67  | 60.61                 | 78.80                      | 105.06                    |
| 2015           | 2.0         | 0.980  | 94.23   | 100.00                | 100.00  | 101.02   | 84.35  | 82.33  | 82.63                          | 74.51                                      | 94.96                                     | 91.93                                      | 15.26  | 60.61                 | 78.80                      | 105.06                    |
| 2016           | 2.0         | 0.980  | 92.38   | 100.00                | 100.00  | 101.02   | 84.35  | 82.33  | 82.63                          | 74.51                                      | 94.96                                     | 91.93                                      | 16.85  | 60.61                 | 78.80                      | 105.06                    |
| 2017           | 2.0         | 0.980  | 90.57   | 100.00                | 100.00  | 101.02   | 84.35  | 82.33  | 82.63                          | 74.51                                      | 94.96                                     | 91.93                                      | 18.43  | 60.61                 | 78.80                      | 105.06                    |
| 2018           | 2.0         | 0.980  | 90.00   | 101.35                | 101.35  | 102.40   | 85.50  | 83.45  | 83.75                          | 75.54                                      | 96.25                                     | 93.18                                      | 19.92  | 61.44                 | 79.87                      | 106.49                    |
| 2019           | 2.0         | 0.980  | 90.00   | 103.38                | 103.38  | 104.47   | 87.23  | 85.14  | 85.44                          | 77.09                                      | 98.20                                     | 95.07                                      | 20.33  | 62.68                 | 81.49                      | 108.65                    |
| 2020           | 2.0         | 0.980  | 90.00   | 105.45                | 105.45  | 106.58   | 89.00  | 86.86  | 87.16                          | 78.67                                      | 100.19                                    | 96.99                                      | 20.78  | 63.95                 | 83.13                      | 110.84                    |
| 2021           | 2.0         | 0.980  | 90.00   | 107.56                | 107.56  | 108.73   | 90.79  | 88.62  | 88.92                          | 80.28                                      | 102.21                                    | 98.95                                      | 21.19  | 65.24                 | 84.81                      | 113.08                    |
| 2022+          | 2.0         | 0.980  | 90.00   | +2.0%/yr              | +2.0%/yr  | +2.0%/yr   | +2.0%/yr                                       | +2.0%/yr   | +2.0%/yr                       | +2.0%/yr                                   | +2.0%/yr                                  | +2.0%/yr                                   | +2.0%/yr   | +2.0%/yr              | +2.0%/yr                   | +2.0%/yr                  |

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

Revised 2012-03-31

**Table 2**  
**GLJ Petroleum Consultants Ltd.**  
**Natural Gas and Sulphur**  
**Price Forecast**  
 Effective April 1, 2012

| Year           | Henry Hub Nymex |            | Midwest         | AECO/NIT Spot | Alberta Plant Gate |          |          |            |          | Saskatchewan Plant Gate |          |            | British Columbia |            | Sulphur FOB Vancouver | Alberta Sulphur at Plant Gate |
|----------------|-----------------|------------|-----------------|---------------|--------------------|----------|----------|------------|----------|-------------------------|----------|------------|------------------|------------|-----------------------|-------------------------------|
|                | Constant        | Then       | Price @ Chicago |               | Spot               |          | ARP      | Aggregator | Alliance | SaskEnergy              | Spot     | Sumas Spot | Westcoast        | Plant Gate |                       |                               |
|                | 2012 \$         | Current    | Then            |               | Constant           | Then     |          |            |          |                         |          |            | Station 2        | Plant Gate |                       |                               |
|                | \$US/mmbtu      | \$US/mmbtu | \$US/mmbtu      | \$Cdn/mmbtu   | 2012 \$            | \$/mmbtu | \$/mmbtu | \$/mmbtu   | \$/mmbtu | \$/mmbtu                | \$/mmbtu | \$/mmbtu   | \$/mmbtu         | \$US/LT    | \$Cdn/LT              |                               |
| 2000           | 5.58            | 4.32       | 3.96            | 5.08          | 6.37               | 4.93     | 4.50     | 4.44       | N/A      | 4.79                    | 4.99     | 4.15       | 5.06             | 4.88       | 38.14                 | 13.59                         |
| 2001           | 5.08            | 4.03       | 4.45            | 6.23          | 7.65               | 6.07     | 5.41     | 4.97       | 5.29     | 5.72                    | 6.15     | 4.57       | 6.32             | 6.29       | 18.29                 | -14.67                        |
| 2002           | 4.13            | 3.36       | 3.25            | 4.04          | 4.77               | 3.88     | 3.88     | 3.64       | 3.66     | 4.04                    | 3.96     | 2.68       | 4.18             | 3.93       | 29.38                 | 3.04                          |
| 2003           | 6.57            | 5.47       | 5.46            | 6.66          | 7.80               | 6.49     | 6.13     | 5.87       | 6.15     | 6.41                    | 6.57     | 4.66       | 6.45             | 6.32       | 59.81                 | 39.83                         |
| 2004           | 7.22            | 6.18       | 6.13            | 6.88          | 7.83               | 6.70     | 6.31     | 6.16       | 6.39     | 6.48                    | 6.78     | 5.26       | 6.56             | 6.45       | 62.99                 | 38.61                         |
| 2005           | 10.33           | 9.00       | 8.24            | 8.58          | 9.66               | 8.42     | 8.30     | 8.27       | 8.29     | 8.36                    | 8.48     | 7.13       | 8.22             | 8.12       | 63.50                 | 33.77                         |
| 2006           | 7.84            | 6.99       | 6.93            | 7.16          | 7.81               | 6.96     | 6.57     | 6.36       | 6.34     | 6.67                    | 7.06     | 6.27       | 6.58             | 6.45       | 55.07                 | 19.27                         |
| 2007           | 7.83            | 7.12       | 6.83            | 6.65          | 7.07               | 6.43     | 6.20     | 6.13       | 5.86     | 6.18                    | 6.55     | 6.52       | 6.40             | 6.25       | 81.66                 | 42.03                         |
| 2008           | 9.58            | 8.90       | 8.91            | 8.16          | 8.52               | 7.92     | 7.88     | 7.85       | 7.84     | 8.07                    | 8.04     | 8.33       | 8.21             | 8.09       | 497.39                | 488.64                        |
| 2009           | 4.38            | 4.16       | 4.05            | 4.19          | 4.19               | 3.98     | 3.85     | 3.69       | 3.23     | 3.87                    | 4.04     | 3.91       | 4.17             | 4.04       | 57.06                 | 24.57                         |
| 2010           | 4.60            | 4.40       | 4.53            | 4.17          | 4.11               | 3.93     | 3.77     | 3.63       | 3.31     | 3.96                    | 4.00     | 4.31       | 4.01             | 3.91       | 88.94                 | 48.26                         |
| 2011           | 4.15            | 4.03       | 4.21            | 3.72          | 3.61               | 3.51     | 3.46     | 3.40       | 2.83     | 3.57                    | 3.67     | 3.93       | 3.39             | 3.31       | 217.16                | 171.93                        |
| 2012 Q1 (e)    | 2.55            | 2.55       | 2.89            | 2.31          | 2.11               | 2.11     | 2.07     | 2.04       | 1.63     | 2.17                    | 2.18     | 2.90       | 2.15             | 2.00       | 198.11                | 155.23                        |
| 2012 Q2        | 2.50            | 2.50       | 2.60            | 2.25          | 2.06               | 2.06     | 2.02     | 1.97       | 1.35     | 2.12                    | 2.19     | 2.20       | 2.05             | 1.89       | 200.00                | 157.00                        |
| 2012 Q3        | 3.00            | 3.00       | 3.10            | 2.70          | 2.51               | 2.51     | 2.46     | 2.40       | 1.83     | 2.56                    | 2.64     | 2.70       | 2.50             | 2.33       | 200.00                | 157.00                        |
| 2012 Q4        | 3.25            | 3.25       | 3.35            | 2.92          | 2.73               | 2.73     | 2.68     | 2.61       | 2.07     | 2.78                    | 2.87     | 2.95       | 2.72             | 2.56       | 200.00                | 157.00                        |
| 2012 Full Year | 2.82            | 2.82       | 2.99            | 2.55          | 2.35               | 2.35     | 2.31     | 2.26       | 1.72     | 2.41                    | 2.47     | 2.69       | 2.36             | 2.19       | 199.53                | 156.56                        |
| 2012 Q2-Q4     | 2.92            | 2.92       | 3.02            | 2.63          | 2.43               | 2.43     | 2.39     | 2.33       | 1.75     | 2.49                    | 2.56     | 2.62       | 2.43             | 2.26       | 200.00                | 157.00                        |
| 2013           | 3.92            | 4.00       | 4.10            | 3.67          | 3.41               | 3.47     | 3.40     | 3.33       | 2.85     | 3.50                    | 3.61     | 3.70       | 3.47             | 3.30       | 175.00                | 135.57                        |
| 2014           | 4.33            | 4.50       | 4.60            | 4.13          | 3.78               | 3.93     | 3.85     | 3.76       | 3.33     | 3.95                    | 4.07     | 4.20       | 3.93             | 3.76       | 150.00                | 110.06                        |
| 2015           | 4.71            | 5.00       | 5.10            | 4.59          | 4.13               | 4.39     | 4.30     | 4.20       | 3.82     | 4.40                    | 4.53     | 4.70       | 4.39             | 4.21       | 125.00                | 84.55                         |
| 2016           | 5.08            | 5.50       | 5.60            | 5.05          | 4.47               | 4.84     | 4.74     | 4.64       | 4.31     | 4.84                    | 4.99     | 5.20       | 4.85             | 4.67       | 125.00                | 84.55                         |
| 2017           | 5.43            | 6.00       | 6.10            | 5.51          | 4.80               | 5.30     | 5.19     | 5.08       | 4.80     | 5.29                    | 5.45     | 5.70       | 5.31             | 5.12       | 127.50                | 87.10                         |
| 2018           | 5.75            | 6.47       | 6.57            | 5.94          | 5.08               | 5.72     | 5.61     | 5.49       | 5.26     | 5.71                    | 5.88     | 6.17       | 5.74             | 5.55       | 130.05                | 89.70                         |
| 2019           | 5.75            | 6.60       | 6.70            | 6.06          | 5.09               | 5.84     | 5.73     | 5.60       | 5.39     | 5.83                    | 6.00     | 6.30       | 5.86             | 5.67       | 132.65                | 92.36                         |
| 2020           | 5.75            | 6.74       | 6.84            | 6.19          | 5.10               | 5.97     | 5.85     | 5.72       | 5.53     | 5.95                    | 6.13     | 6.44       | 5.99             | 5.80       | 135.30                | 95.06                         |
| 2021           | 5.75            | 6.87       | 6.97            | 6.31          | 5.09               | 6.09     | 5.97     | 5.84       | 5.66     | 6.07                    | 6.25     | 6.57       | 6.11             | 5.92       | 138.01                | 97.83                         |
| 2022+          | 5.75            | +2.0%/yr   | +2.0%/yr        | +2.0%/yr      | 5.09               | +2.0%/yr | +2.0%/yr | +2.0%/yr   | +2.0%/yr | +2.0%/yr                | +2.0%/yr | +2.0%/yr   | +2.0%/yr         | +2.0%/yr   | +2.0%/yr              | +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.

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