



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

July 1, 2013

Prepared by
Tyler J. Schlosser, P. Eng.

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

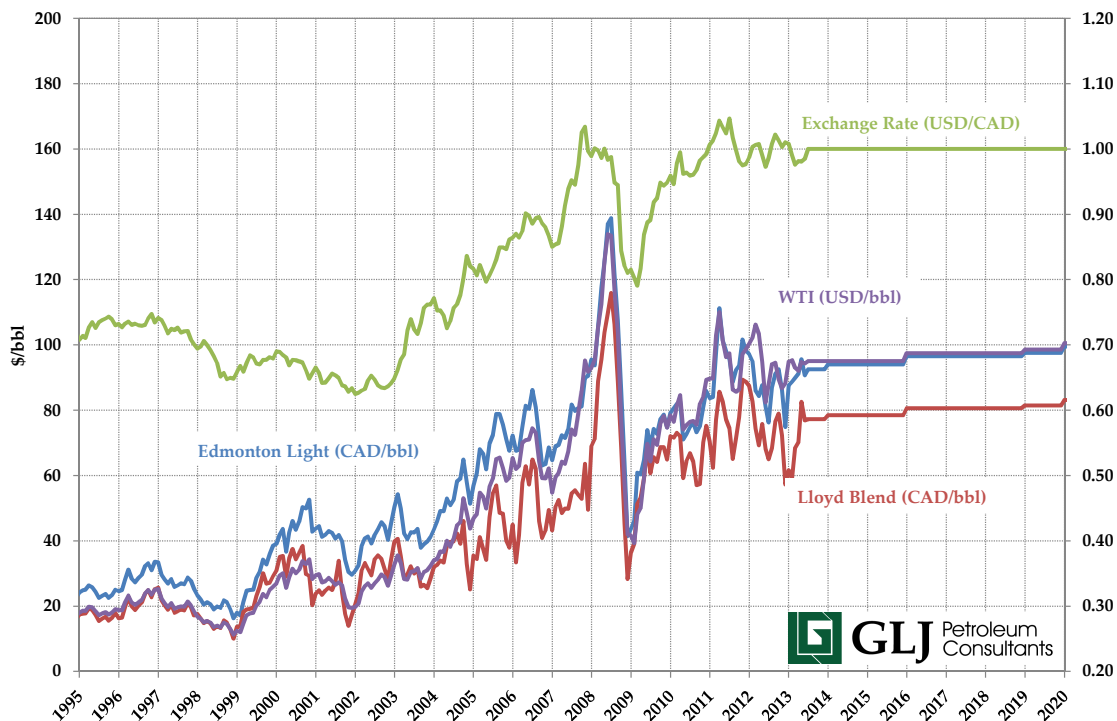
July 1, 2013

GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to June 2013. 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
PRODUCT PRICE AND MARKET FORECASTS
FOR THE CANADIAN OIL AND GAS INDUSTRY
July 1, 2013

GLJ Petroleum Consultants has completed our commodity price forecasts as presented in the attachments. Revisions in the forecasts reflective of current market conditions have been incorporated. Widely followed benchmarks are presented graphically below:

Crude Oil Price History and Forecast



Natural Gas Price History and Forecast

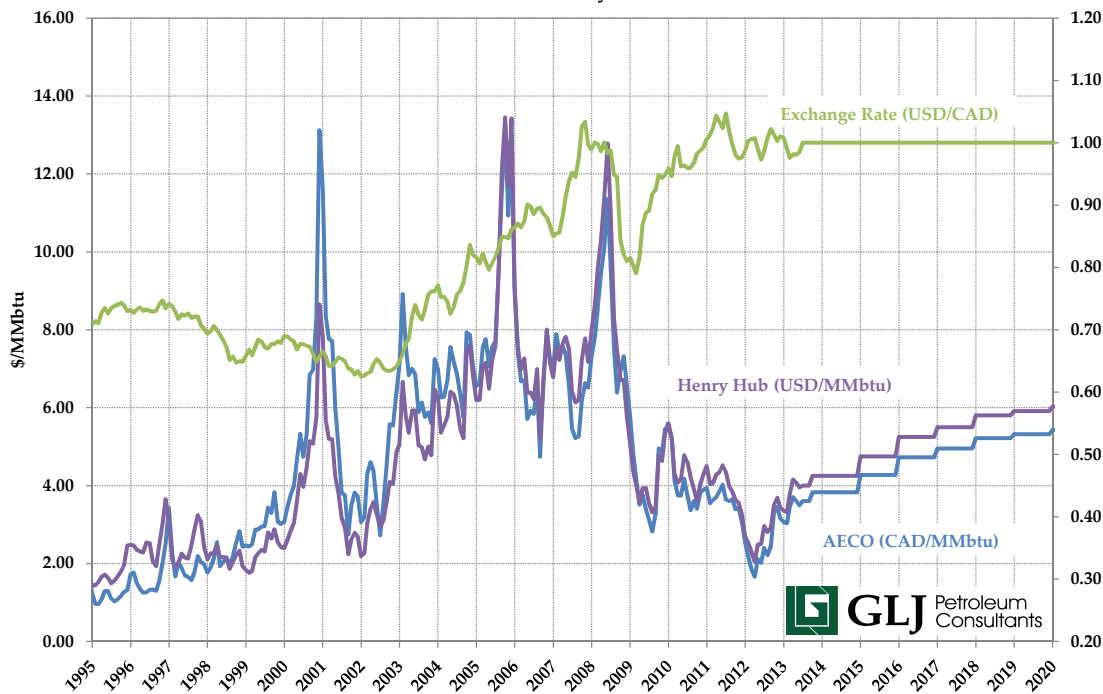


Table 1
GLJ Petroleum Consultants Ltd.
Crude Oil and Natural Gas Liquids
Price Forecast
Effective July 1, 2013

Year	Inflation %	Bank of Canada Average Noon Exchange Rate USD/CAD	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 2013 \$ USD/bbl	Then Current USD/bbl	Then Current USD/bbl	Then Current USD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Spec Ethane CAD/bbl	Edmonton Propane CAD/bbl	Edmonton Butane CAD/bbl
2000	2.7	0.673	39.68	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	33.26	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	32.50	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	37.88	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	49.08	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	65.89	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	75.44	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	80.83	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	108.95	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	65.89	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	84.56	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	99.40	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	1.5	1.001	95.66	94.21	111.71	86.60	74.42	73.00	73.13	63.64	84.51	81.38	N/A	29.04	66.70	100.84	
2013 Q1	0.9	0.991	94.37	94.37	112.65	88.75	64.53	63.03	63.00	48.48	87.98	80.75	N/A	31.60	74.79	108.18	
2013 Q2 (e)	0.4	0.983	93.69	93.69	103.22	92.47	78.58	76.55	76.55	67.81	91.54	86.31	N/A	29.69	63.40	103.38	
2013 Q3	2.0	1.000	95.00	95.00	105.00	92.50	78.63	77.24	77.24	68.88	90.65	85.10	11.82	30.53	66.60	101.75	
2013 Q4	2.0	1.000	95.00	95.00	105.00	92.50	78.63	77.24	77.24	68.88	90.65	85.10	12.60	33.30	69.38	101.75	
2013 Full Year	1.3	0.994	94.52	94.52	106.47	91.56	75.09	73.51	73.51	63.51	90.21	84.32	N/A	31.28	68.54	103.77	
2013 Q3-Q4	2.0	1.000	95.00	95.00	105.00	92.50	78.63	77.24	77.24	68.88	90.65	85.10	12.21	31.91	67.99	101.75	
2014	2.0	1.000	93.14	95.00	102.50	94.00	79.90	78.49	78.49	70.02	90.24	86.48	12.60	37.60	73.32	103.40	
2015	2.0	1.000	91.31	95.00	102.50	94.00	79.90	78.49	78.49	70.58	90.24	86.48	14.15	47.00	73.32	101.52	
2016	2.0	1.000	91.88	97.50	102.50	96.50	82.03	80.58	80.58	73.06	92.64	88.78	15.70	57.90	75.27	102.29	
2017	2.0	1.000	90.07	97.50	100.00	96.50	82.03	80.58	80.58	73.64	92.64	88.78	16.48	57.90	75.27	100.36	
2018	2.0	1.000	88.31	97.50	100.00	96.50	82.03	80.58	80.58	73.64	92.64	88.78	17.41	57.90	75.27	100.36	
2019	2.0	1.000	87.50	98.54	101.35	97.54	82.91	81.45	81.45	74.45	93.64	89.74	17.75	58.52	76.08	101.44	
2020	2.0	1.000	87.50	100.51	103.38	99.51	84.58	83.09	83.09	75.97	95.53	91.55	18.12	59.71	77.62	103.49	
2021	2.0	1.000	87.50	102.52	105.45	101.52	86.29	84.77	84.77	77.53	97.46	93.40	18.50	60.91	79.19	105.58	
2022	2.0	1.000	87.50	104.57	107.55	103.57	88.03	86.48	86.48	79.11	99.43	95.28	18.87	62.14	80.78	107.71	
2023+	2.0	1.000	87.50	+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 2013-06-30

Table 2
GLJ Petroleum Consultants Ltd.
Natural Gas and Sulphur
Price Forecast
 Effective July 1, 2013

Year	NYMEX Henry Hub		Midwest		Alberta Plant Gate				Saskatchewan Plant Gate			British Columbia		Sulphur FOB Vancouver USD/lt	Alberta Sulphur at Plant Gate CAD/lt	
	Near Month Contract		Price @ Chicago	AECO/NIT Spot	Spot		ARP	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast	Plant Gate			
	Constant	Then	Then	Then	Constant	Then						Station 2	Plant Gate			
	2013 \$	Current	Current	Current	2013 \$	Current	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/lt	CAD/lt	
2000	5.65	4.32	3.96	5.80	6.45	4.93	4.50	N/A	4.79	4.99	4.15	5.06	4.88	38.14	13.59	
2001	5.16	4.03	4.45	5.65	7.79	6.07	5.41	5.31	5.72	6.15	4.57	6.32	6.29	18.29	-14.67	
2002	4.18	3.36	3.25	4.27	4.84	3.88	3.88	3.65	4.04	3.96	2.68	4.18	3.93	29.38	3.04	
2003	6.67	5.47	5.46	6.73	7.92	6.49	6.13	6.15	6.41	6.57	4.66	6.45	6.32	59.81	39.83	
2004	7.33	6.18	6.13	6.90	7.95	6.70	6.31	6.39	6.48	6.78	5.26	6.56	6.45	62.99	38.61	
2005	10.47	9.00	8.24	9.06	9.79	8.42	8.30	8.27	8.36	8.48	7.13	8.22	8.12	63.50	33.77	
2006	7.97	6.99	6.93	6.71	7.93	6.96	6.57	6.36	6.67	7.06	6.27	6.58	6.45	55.07	19.27	
2007	7.95	7.12	6.83	6.59	7.18	6.43	6.20	5.86	6.18	6.55	6.52	6.40	6.25	81.66	42.03	
2008	9.72	8.90	8.91	8.25	8.65	7.92	7.88	7.83	8.07	8.04	8.33	8.21	8.09	497.39	488.64	
2009	4.45	4.16	4.05	4.16	4.25	3.98	3.85	3.23	3.87	4.04	3.91	4.17	4.04	57.06	24.57	
2010	4.67	4.40	4.53	4.03	4.18	3.93	3.77	3.31	3.96	4.00	4.31	4.01	3.91	88.94	48.26	
2011	4.21	4.03	4.21	3.62	3.67	3.51	3.46	2.84	3.57	3.67	3.93	3.39	3.31	217.16	171.93	
2012	2.87	2.83	2.92	2.44	2.27	2.24	2.25	1.65	2.31	2.29	2.77	2.38	2.26	201.03	157.91	
2013 Q1	3.48	3.48	3.52	3.18	2.87	2.87	2.92	2.25	3.04	2.93	3.54	3.03	2.80	147.31	98.61	
2013 Q2 (e)	4.06	4.06	4.25	3.60	3.36	3.36	3.36	3.01	3.50	3.37	3.93	3.45	3.28	147.31	100.76	
2013 Q3	4.00	4.00	4.10	3.60	3.40	3.40	3.40	2.78	3.50	3.52	3.70	3.45	3.26	150.00	100.00	
2013 Q4	4.25	4.25	4.35	3.83	3.62	3.62	3.62	3.02	3.72	3.74	4.35	3.68	3.48	150.00	100.00	
2013 Full Year	3.95	3.95	4.06	3.55	3.31	3.31	3.32	2.76	3.44	3.39	3.88	3.40	3.20	148.66	99.84	
2013 Q3-Q4	4.13	4.13	4.23	3.71	3.51	3.51	3.51	2.90	3.61	3.63	4.02	3.56	3.37	150.00	100.00	
2014	4.17	4.25	4.35	3.83	3.55	3.62	3.62	3.02	3.72	3.74	4.20	3.68	3.48	150.00	100.00	
2015	4.57	4.75	4.85	4.28	3.91	4.07	4.07	3.50	4.17	4.20	4.70	4.13	3.93	125.00	75.00	
2016	4.95	5.25	5.35	4.72	4.25	4.51	4.51	3.98	4.61	4.64	5.20	4.57	4.37	125.00	75.00	
2017	5.08	5.50	5.60	4.95	4.37	4.74	4.74	4.22	4.84	4.87	5.45	4.80	4.60	127.50	77.50	
2018	5.25	5.80	5.90	5.22	4.53	5.00	5.00	4.50	5.10	5.14	5.75	5.07	4.86	130.05	80.05	
2019	5.25	5.91	6.01	5.32	4.53	5.10	5.10	4.61	5.20	5.24	5.86	5.17	4.96	132.65	82.65	
2020	5.25	6.03	6.13	5.43	4.53	5.21	5.21	4.72	5.31	5.35	5.98	5.28	5.07	135.30	85.30	
2021	5.25	6.15	6.25	5.54	4.54	5.32	5.32	4.84	5.42	5.46	6.10	5.39	5.18	138.01	88.01	
2022	5.25	6.27	6.37	5.64	4.54	5.42	5.42	4.95	5.52	5.56	6.22	5.49	5.28	140.77	90.77	
2023+	5.25	+2.0%/yr	+2.0%/yr	+2.0%/yr	4.54	+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.

Revised 2013-06-30