



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

October 1, 2008

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GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to September 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. A summary of near-term forecasts follows:

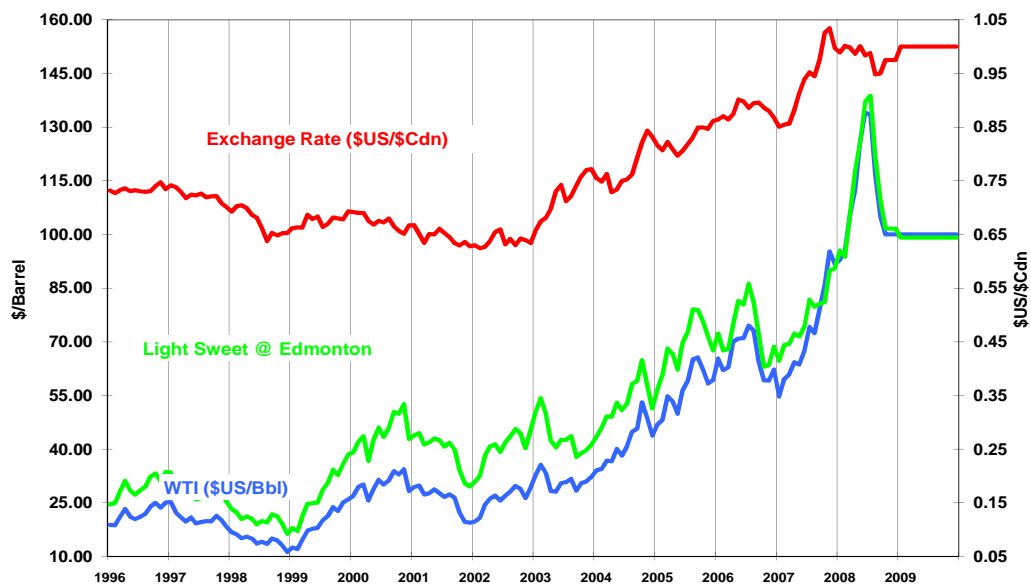
NATURAL GAS PRICES

	July 1, 2008 Calendar Year	October 1, 2008 Calendar Year
Henry Hub Gas Price - (\$US/MMBTU)		
2008	11.22	9.24
2009	11.25	8.50
Chicago 30 Day Spot Gas Price - (\$US/MMBTU)		
2008	11.26	9.29
2009	11.25	8.50
Sumas 30 Day Spot Gas Price - (\$US/MMBTU)		
2008	10.75	8.60
2009	10.70	7.95
AECO-C 30 Day Spot Gas Price - (\$Cdn/MMBTU)		
2008	9.90	8.30
2009	10.05	7.50
Average Alberta Plant-Gate Gas Price - (\$Cdn/MMBTU)		
2008	9.64	8.06
2009	9.80	7.28
Aggregator Plant-Gate Gas Price - (\$Cdn/MMBTU)		
2008	9.63	8.00
2009	9.69	6.94
B.C. 30 Day Spot Plant-Gate Gas Price - (\$Cdn/MMBTU)		
2008	9.57	8.07
2009	9.66	7.10

CRUDE OIL PRICES

	July 1, 2008 Calendar Year	October 1, 2008 Calendar Year
WTI @ Cushing Price - (\$US/BBL)		
2008	122.80	110.07
2009	125.00	100.00
Light, Sweet @ Edmonton Price - (\$Cdn/BBL)		
2008	122.81	112.51
2009	124.10	99.10

Oil Price History and Forecast



Natural Gas Price History and Forecast

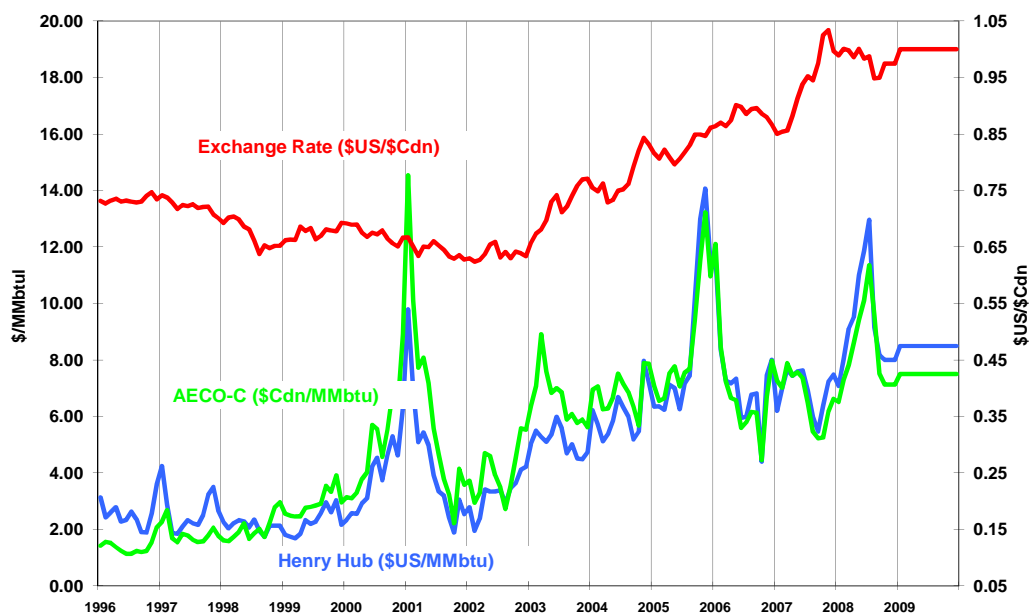


Table 1
GLJ Petroleum Consultants
Crude Oil and Natural Gas Liquids
Price Forecast
Effective October 1, 2008

Year	Inflation %	Bank of Canada	NYMEX WTI Near		ICE BRENT Near	Light, Sweet	Bow River Crude Oil	Lloyd Blend Crude Oil	Heavy Crude Oil	Light Crude Oil	Medium Crude Oil	Alberta Natural Gas Liquids			
		Average Noon Exchange Rate \$US/\$Cdn	Month Futures Contract Crude Oil at Cushing Oklahoma Constant 2008 \$ \$US/bbl	Month Futures Contract Crude Oil at FOB North Sea Then Current \$US/bbl	Crude Oil (40 API, 0.3%S) at Edmonton Then Current \$Cdn/bbl	Stream Quality at Hardisty Then Current \$Cdn/bbl	Stream Quality at Hardisty Then Current \$Cdn/bbl	Proxy (12 API) at Hardisty Then Current \$Cdn/bbl	(35 API, 1.2%S) at Cromer Then Current \$Cdn/bbl	(29 API, 2.0%S) at Cromer 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	20.31	29.38	25.12	21.55	20.06	28.41	26.08	n/a	23.13	17.83	30.05
1997	1.6	0.722	25.84	20.62	19.32	27.85	21.18	20.55	14.41	26.52	23.72	n/a	19.41	19.76	30.91
1998	1.0	0.675	17.80	14.43	13.34	20.36	14.63	15.38	9.45	19.31	16.96	n/a	11.74	12.69	21.87
1999	1.7	0.673	23.54	19.25	17.99	27.63	23.78	22.14	19.49	26.97	25.37	n/a	15.86	18.65	27.64
2000	2.7	0.673	36.30	30.23	28.41	44.57	35.27	32.61	27.49	43.28	39.92	n/a	32.15	35.59	46.31
2001	2.5	0.646	30.41	26.00	24.87	39.44	27.69	23.47	16.77	35.22	31.58	n/a	31.92	31.25	42.48
2002	2.2	0.637	29.74	26.08	25.02	40.33	31.83	30.60	26.57	37.43	35.48	n/a	21.39	27.08	40.73
2003	2.8	0.716	34.64	31.07	28.47	43.66	32.11	31.18	26.26	40.09	37.55	n/a	32.14	34.36	44.23
2004	1.8	0.770	44.91	41.38	38.02	52.96	37.43	36.31	29.11	49.14	45.64	n/a	34.70	39.97	53.94
2005	2.2	0.826	60.28	56.58	55.14	69.02	44.73	43.03	34.07	62.18	56.77	n/a	43.04	51.80	69.57
2006	2.0	0.882	69.01	66.22	66.16	73.21	51.82	50.36	41.84	66.38	62.26	n/a	43.85	60.18	75.41
2007	2.1	0.935	73.97	72.39	72.71	77.06	53.64	52.03	43.42	71.13	65.71	n/a	49.56	61.78	77.38
2008 Q1	1.8	0.996	97.90	97.90	96.49	98.28	77.90	76.36	68.64	91.48	87.71	n/a	58.32	80.53	98.74
2008 Q2	2.3	0.990	123.97	123.97	123.05	126.74	104.55	102.98	94.67	118.26	114.78	n/a	65.87	87.68	125.94
2008 Q3 (e)	3.4	0.962	118.39	118.39	117.77	123.38	103.08	101.30	99.73	116.01	112.35	n/a	67.21	89.82	123.65
2008 Q4	2.0	0.975	100.00	100.00	98.50	101.64	83.35	81.82	74.57	94.53	91.48	24.04	60.98	77.25	102.66
2008 Full Year	2.4	0.981	110.07	110.07	108.95	112.51	92.22	90.62	84.40	105.07	101.58	n/a	63.10	83.82	112.75
2009	2.0	1.000	98.04	100.00	98.50	99.10	76.31	74.82	65.94	92.16	86.22	25.32	62.43	77.30	101.08
2010	2.0	1.000	96.12	100.00	98.50	99.10	75.48	73.99	64.87	92.16	86.22	25.83	62.43	77.30	101.08
2011	2.0	1.000	94.23	100.00	98.50	99.10	75.32	73.83	64.65	92.16	86.22	27.04	62.43	77.30	101.08
2012	2.0	1.000	92.38	100.00	98.50	99.10	75.32	73.83	64.65	92.16	86.22	27.90	62.43	77.30	101.08
2013	2.0	1.000	90.57	100.00	98.50	99.10	75.32	73.83	64.65	92.16	86.22	28.76	62.43	77.30	101.08
2014	2.0	1.000	90.00	101.35	99.85	100.45	76.34	74.84	65.55	93.42	87.39	30.48	63.28	78.35	102.46
2015	2.0	1.000	90.00	103.38	101.88	102.48	77.88	76.35	66.89	95.31	89.16	32.52	64.56	79.93	104.53
2016	2.0	1.000	90.00	105.45	103.95	104.55	79.46	77.89	68.26	97.23	90.96	33.21	65.87	81.55	106.64
2017	2.0	1.000	90.00	107.56	106.06	106.66	81.06	79.46	69.66	99.19	92.79	33.96	67.20	83.19	108.79
2018+	2.0	1.000	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

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

Revised 09-30-08

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

Year	NYMEX Futures Contract		Midwest		Alberta Plant Gate					Saskatchewan Plant Gate			British Columbia		Sulphur	Alberta
	Last 3 Day Price		Price @ Chicago	AECO/NIT Spot	Spot		ARP	Aggregator	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast	Plant Gate	FOB	Sulphur
	Constant	Then	Then	Then	Constant	Then							Station 2	Plant Gate	Vancouver	at Plant
	2008 \$	Current	Current	Current	2008 \$	Current	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu	\$/mmbtu
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	2.20	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	42.03
2008 Q1	8.07	8.07	8.25	7.21	6.97	6.97	7.18	7.24	6.77	7.64	7.28	8.17	7.29	7.16	253.99	212.02
2008 Q2	10.80	10.80	10.78	9.38	9.13	9.13	9.44	9.50	9.32	9.57	10.08	9.92	9.35	9.22	507.98	470.06
2008 Q3 (e)	10.09	10.09	9.95	9.49	9.24	9.24	8.64	8.65	8.73	9.01	8.07	8.86	9.37	9.15	756.88	743.09
2008 Q4	8.00	8.00	8.18	7.13	6.91	6.91	6.84	6.62	6.85	6.97	7.04	7.45	6.93	6.73	325.00	290.33
2008 Full Year	9.24	9.24	9.29	8.30	8.06	8.06	8.03	8.00	7.92	8.30	8.12	8.60	8.24	8.07	460.96	428.88
2009	8.33	8.50	8.50	7.50	7.13	7.28	7.19	6.94	6.98	7.32	7.41	7.95	7.30	7.10	275.00	232.00
2010	8.17	8.50	8.50	7.65	7.14	7.42	7.36	7.16	6.97	7.49	7.56	7.95	7.45	7.25	200.00	157.00
2011	8.25	8.75	8.85	8.00	7.32	7.77	7.70	7.49	7.30	7.83	7.91	8.20	7.80	7.60	150.00	107.00
2012	8.31	9.00	9.10	8.25	7.41	8.02	7.95	7.73	7.54	8.08	8.16	8.45	8.05	7.84	100.00	57.00
2013	8.38	9.25	9.35	8.50	7.49	8.26	8.19	7.97	7.78	8.32	8.41	8.70	8.30	8.09	100.00	57.00
2014	8.66	9.75	9.85	9.00	7.78	8.76	8.68	8.45	8.25	8.81	8.91	9.20	8.80	8.59	100.00	57.00
2015	9.00	10.34	10.44	9.59	8.13	9.34	9.26	9.01	8.81	9.39	9.50	9.79	9.39	9.17	100.00	57.00
2016	9.00	10.54	10.64	9.79	8.14	9.54	9.46	9.20	9.00	9.59	9.70	9.99	9.59	9.37	100.00	57.00
2017	9.00	10.76	10.86	10.01	8.17	9.76	9.67	9.41	9.21	9.80	9.92	10.21	9.81	9.59	102.00	59.00
2018+	9.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	8.17	+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.
 Historical futures contract price is an average of the daily settlement price over the last 3 days of the near month contract.

Revised 09-30-08