



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

**October 1, 2012**

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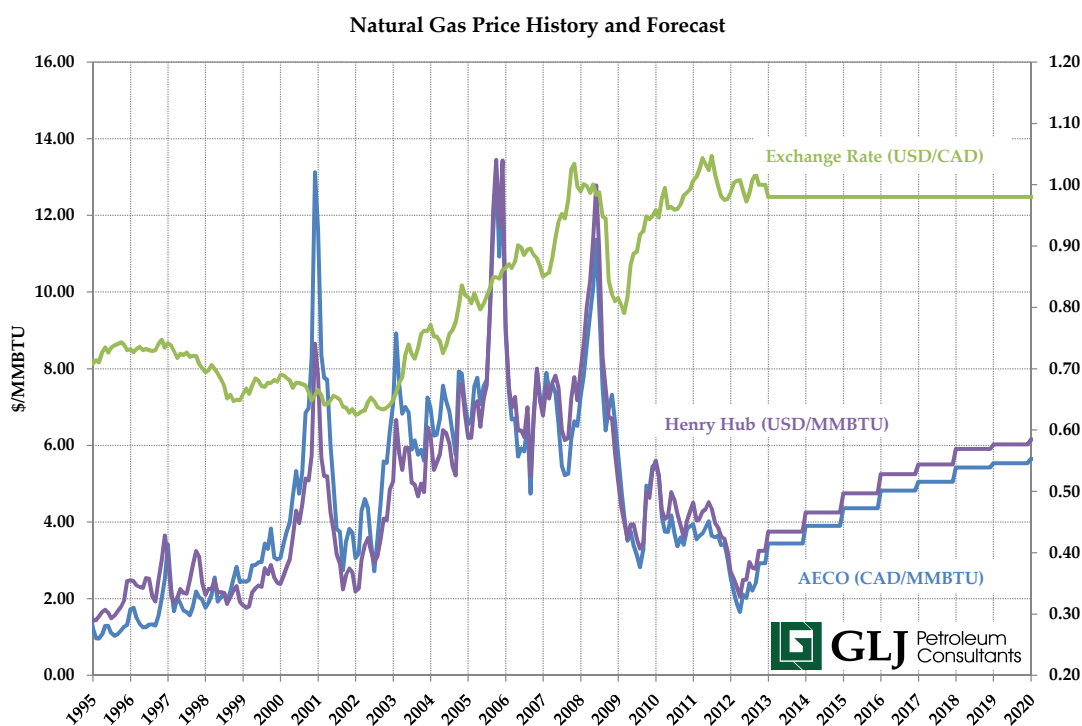
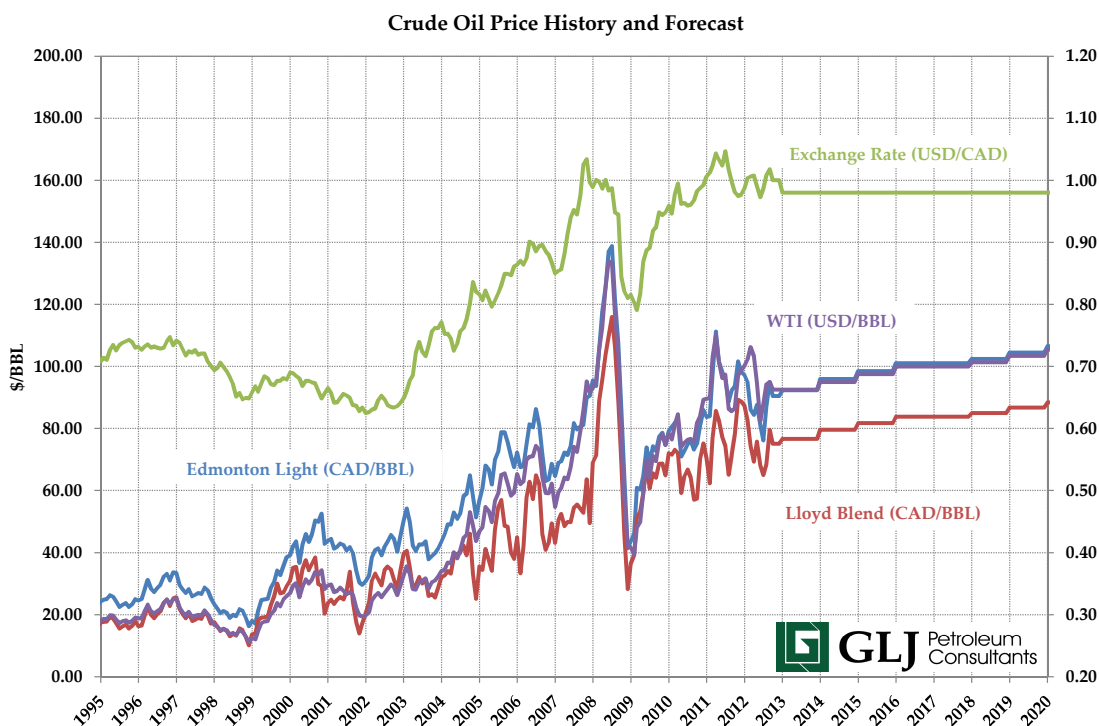
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**October 1, 2012**

GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to September 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**  
**PRODUCT PRICE AND MARKET FORECASTS**  
**FOR THE CANADIAN OIL AND GAS INDUSTRY**  
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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:



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

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 Crude Oil Stream Quality at Hardisty	Heavy Crude Oil Proxy (12 API) at Hardisty	Light Sour Crude Oil (35 API, 1.2%S) at Cromer	Medium Sour Crude Oil (29 API, 2.0%S) at Cromer	Alberta Natural Gas Liquids (Then Current Dollars)			
			Constant 2012 \$ 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	39.10	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	2.3	0.999	102.93	102.93	118.35	92.72	83.07	81.48	81.66	71.86	90.68	87.93	N/A	40.20	70.54	110.18
2012 Q2	1.6	0.990	93.49	93.49	108.96	84.38	72.60	71.08	71.33	61.29	81.87	78.49	N/A	25.52	68.48	100.36
2012 Q3 (e)	1.3	1.004	92.36	92.36	109.84	86.08	72.56	71.00	71.16	62.20	84.50	81.01	N/A	22.50	60.00	97.00
2012 Q4	2.0	1.000	92.50	92.50	110.00	90.50	76.93	75.11	75.41	66.78	88.69	85.07	9.51	27.15	70.59	99.55
2012 Full Year	1.8	0.998	95.32	95.32	111.79	88.42	76.29	74.67	74.89	65.53	86.44	83.13	N/A	28.84	67.40	101.78
2013	2.0	0.980	90.69	92.50	105.00	92.35	78.49	76.65	76.95	69.00	88.65	84.96	11.30	46.17	72.03	98.81
2014	2.0	0.980	91.31	95.00	102.50	95.92	81.53	79.61	79.91	72.57	92.08	88.24	12.88	57.55	74.82	99.76
2015	2.0	0.980	91.88	97.50	100.00	98.47	83.70	81.73	82.03	74.53	94.53	90.59	14.47	59.08	76.81	102.41
2016	2.0	0.980	92.38	100.00	100.00	101.02	85.87	83.85	84.15	76.48	96.98	92.94	16.05	60.61	78.80	105.06
2017	2.0	0.980	90.57	100.00	100.00	101.02	85.87	83.85	84.15	76.48	96.98	92.94	16.85	60.61	78.80	105.06
2018	2.0	0.980	90.00	101.35	101.35	102.40	87.04	84.99	85.29	77.54	98.30	94.21	18.15	61.44	79.87	106.49
2019	2.0	0.980	90.00	103.38	103.38	104.47	88.80	86.71	87.01	79.13	100.29	96.11	18.53	62.68	81.49	108.65
2020	2.0	0.980	90.00	105.45	105.45	106.58	90.59	88.46	88.76	80.75	102.32	98.06	18.91	63.95	83.13	110.84
2021	2.0	0.980	90.00	107.56	107.56	108.73	92.42	90.25	90.55	82.40	104.39	100.04	19.29	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 2012-09-30

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

Year	Henry Hub Nymex		Midwest	AECO/NIT	Alberta Plant Gate				Saskatchewan Plant Gate			British Columbia		Sulphur FOB Vancouver USD/lt	Alberta Sulphur at Plant Gate CAD/lt	
	Near Month Constant 2012 \$	Contract Then Current	Price at Chicago Then Current	Spot Then Current	Spot		ARP	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast Station 2	Spot Plant Gate			
	USD/MMBtu	USD/MMBtu	USD/MMBtu	CAD/MMBtu	Constant 2012 \$	Then Current										CAD/MMBtu
2000	5.58	4.32	3.96	5.80	6.37	4.93	4.50	N/A	4.79	4.99	4.15	5.06	4.88	38.14	13.59	
2001	5.08	4.03	4.45	5.65	7.65	6.07	5.41	5.31	5.72	6.15	4.57	6.32	6.29	18.29	-14.67	
2002	4.13	3.36	3.25	4.27	4.77	3.88	3.88	3.65	4.04	3.96	2.68	4.18	3.93	29.38	3.04	
2003	6.57	5.47	5.46	6.73	7.80	6.49	6.13	6.15	6.41	6.57	4.66	6.45	6.32	59.81	39.83	
2004	7.22	6.18	6.13	6.90	7.83	6.70	6.31	6.39	6.48	6.78	5.26	6.56	6.45	62.99	38.61	
2005	10.33	9.00	8.24	9.06	9.66	8.42	8.30	8.27	8.36	8.48	7.13	8.22	8.12	63.50	33.77	
2006	7.84	6.99	6.93	6.71	7.81	6.96	6.57	6.36	6.67	7.06	6.27	6.58	6.45	55.07	19.27	
2007	7.83	7.12	6.83	6.59	7.07	6.43	6.20	5.86	6.18	6.55	6.52	6.40	6.25	81.66	42.03	
2008	9.58	8.90	8.91	8.25	8.52	7.92	7.88	7.83	8.07	8.04	8.33	8.21	8.09	497.39	488.64	
2009	4.38	4.16	4.05	4.16	4.19	3.98	3.85	3.23	3.87	4.04	3.91	4.17	4.04	57.06	24.57	
2010	4.60	4.40	4.53	4.03	4.11	3.93	3.77	3.31	3.96	4.00	4.31	4.01	3.91	88.94	48.26	
2011	4.15	4.03	4.21	3.62	3.61	3.51	3.46	2.84	3.57	3.67	3.93	3.39	3.31	217.16	171.93	
2012 Q1	2.51	2.51	2.89	2.19	2.39	2.39	2.29	1.63	2.28	2.45	2.90	2.47	2.35	198.11	155.30	
2012 Q2	2.35	2.35	2.31	1.93	1.69	1.69	1.75	1.11	1.95	1.74	2.01	1.83	1.71	205.73	164.81	
2012 Q3 (e)	2.85	2.85	2.91	2.34	2.02	2.02	1.95	1.64	1.78	2.06	2.54	2.17	2.05	204.38	163.97	
2012 Q4	3.25	3.25	3.35	2.92	2.73	2.73	2.68	2.07	2.78	2.87	2.95	2.72	2.56	200.00	157.00	
2012 Full Year	2.74	2.74	2.87	2.35	2.21	2.21	2.17	1.61	2.20	2.28	2.60	2.30	2.17	202.05	160.27	
2013	3.68	3.75	3.85	3.44	3.18	3.25	3.18	2.60	3.28	3.38	3.45	3.24	3.07	175.00	135.57	
2014	4.08	4.25	4.35	3.90	3.56	3.70	3.63	3.09	3.73	3.84	3.95	3.70	3.53	150.00	110.06	
2015	4.48	4.75	4.85	4.36	3.92	4.16	4.07	3.58	4.17	4.30	4.45	4.16	3.98	125.00	84.55	
2016	4.85	5.25	5.35	4.82	4.26	4.61	4.52	4.07	4.62	4.76	4.95	4.62	4.44	125.00	84.55	
2017	4.98	5.50	5.60	5.05	4.38	4.84	4.74	4.31	4.84	4.99	5.20	4.85	4.67	127.50	87.10	
2018	5.25	5.91	6.01	5.43	4.63	5.21	5.11	4.72	5.21	5.37	5.61	5.23	5.04	130.05	89.70	
2019	5.25	6.03	6.13	5.54	4.63	5.32	5.22	4.83	5.32	5.48	5.73	5.34	5.15	132.65	92.36	
2020	5.25	6.15	6.25	5.65	4.64	5.43	5.32	4.95	5.42	5.59	5.85	5.45	5.26	135.30	95.06	
2021	5.25	6.27	6.37	5.76	4.64	5.54	5.43	5.07	5.53	5.70	5.97	5.56	5.37	138.01	97.83	
2022+	5.25	+2.0%/yr	+2.0%/yr	+2.0%/yr	4.64	+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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