



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

October 1, 2014

Prepared by
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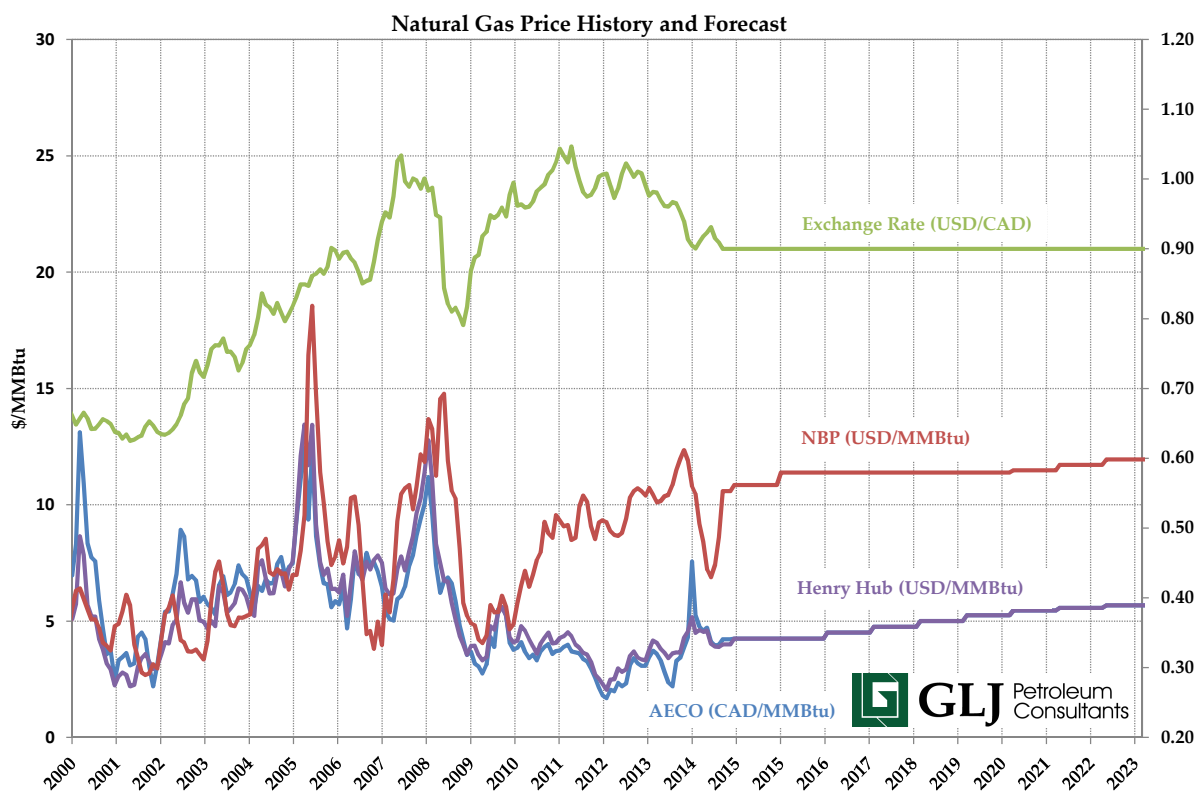
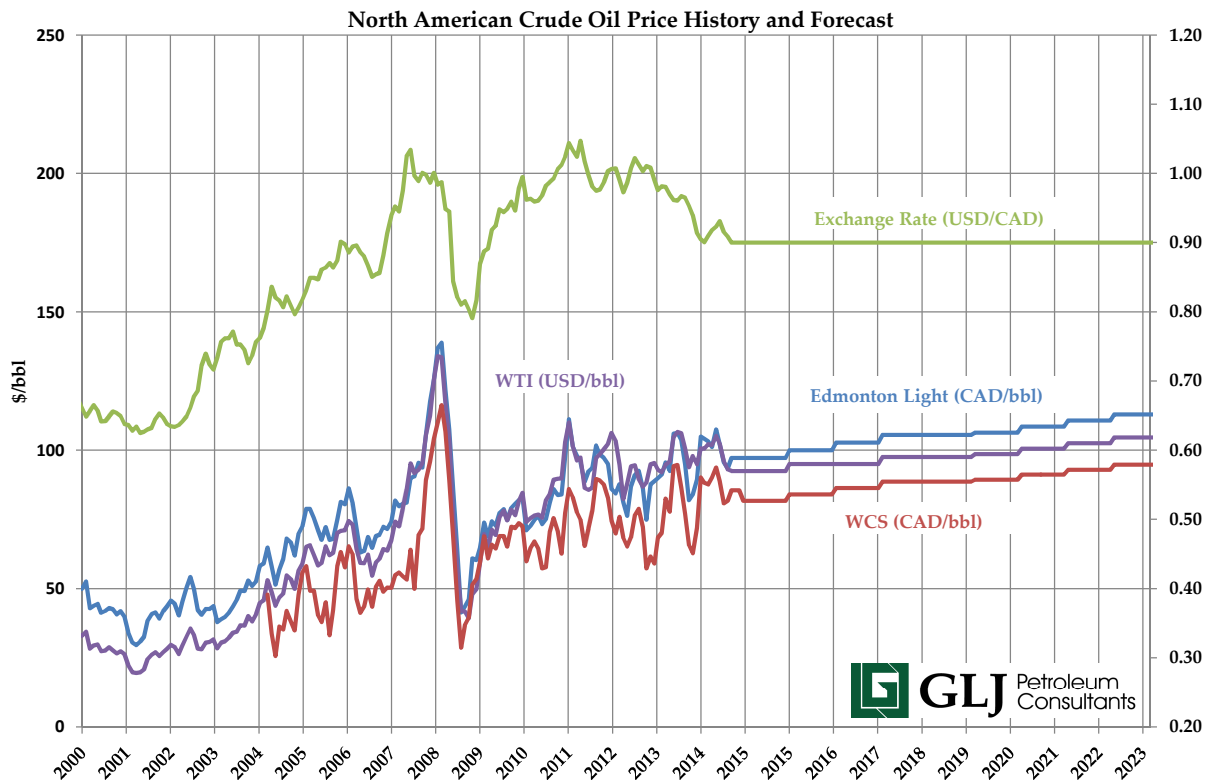
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October 1, 2014

GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to September 2014. Information sources include numerous government agencies, industry publications, 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 GLOBAL OIL AND GAS INDUSTRY October 1, 2014

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:



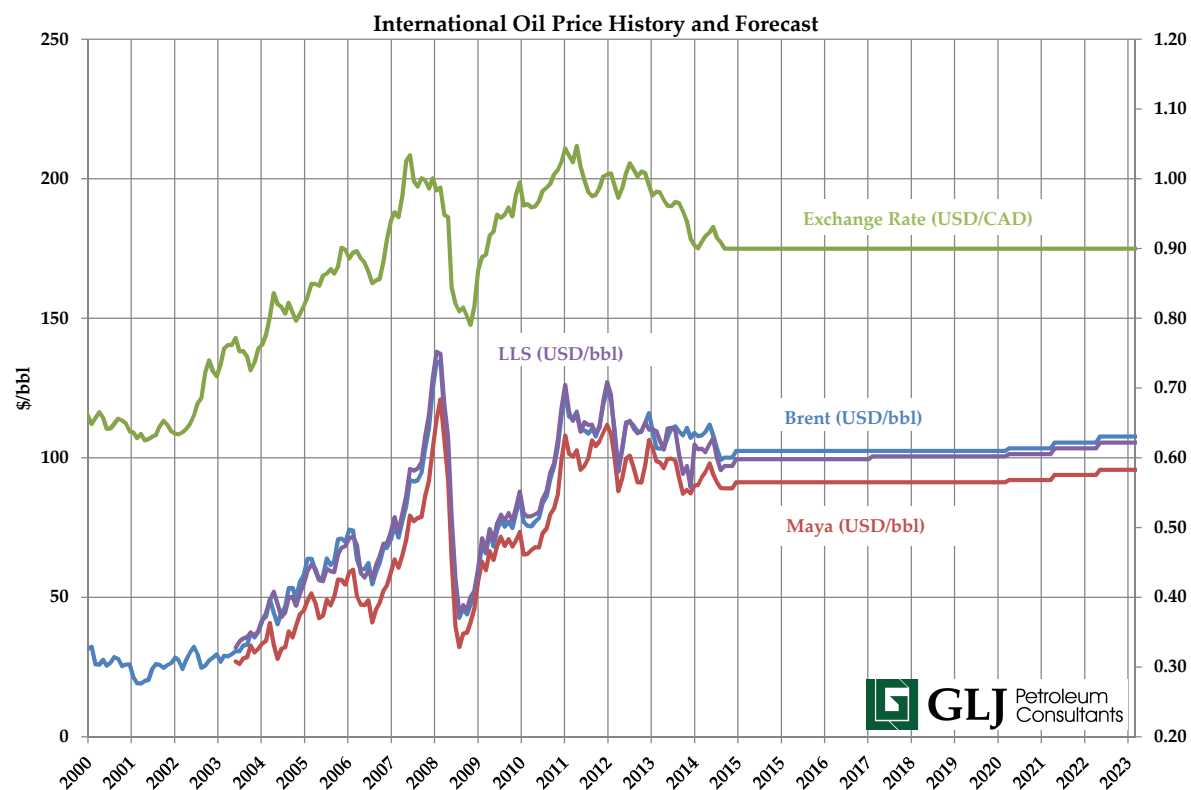
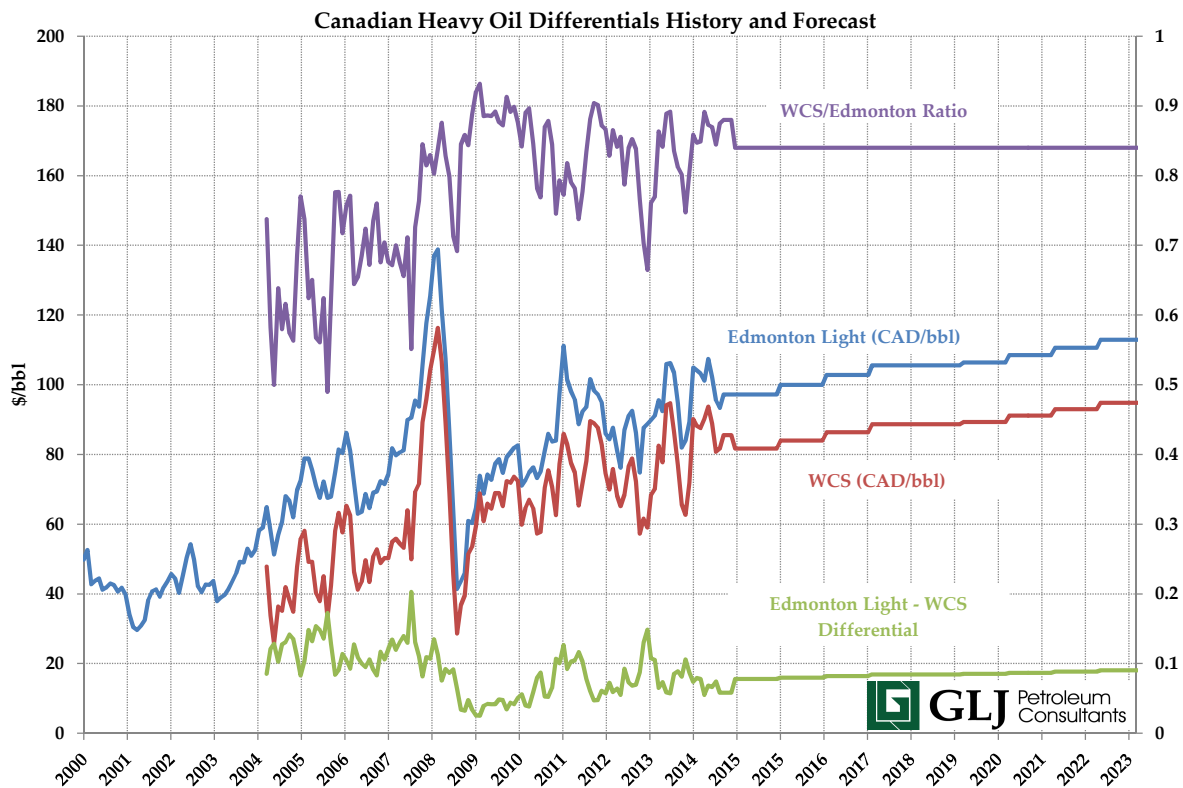


Table 1
GLJ Petroleum Consultants Ltd.
Crude Oil and Natural Gas Liquids
Price Forecast
 Effective October 1, 2014

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	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	Spec Ethane CAD/bbl	Alberta Natural Gas Liquids (Then Current Dollars)		
			Constant 2014 \$ 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	Edmonton Propane CAD/bbl	Edmonton Butane CAD/bbl
2004	1.8	0.770	49.55	41.38	38.02	52.96	37.43	N/A	29.11	49.14	45.64	N/A	34.70	39.97	53.94
2005	2.2	0.826	66.52	56.58	55.14	69.02	44.73	43.74	34.07	62.18	56.77	N/A	43.04	51.80	69.57
2006	2.0	0.882	76.15	66.22	66.16	73.21	51.82	50.66	41.84	66.38	62.26	N/A	43.85	60.17	75.41
2007	2.2	0.935	81.60	72.39	72.71	77.06	53.64	52.38	43.42	71.13	65.71	N/A	49.56	61.78	77.38
2008	2.4	0.943	109.98	99.64	98.30	102.89	84.31	82.95	74.94	96.08	93.10	N/A	58.38	75.33	104.78
2009	0.4	0.880	66.53	61.78	62.50	66.32	60.18	58.66	54.46	63.84	62.96	N/A	38.03	48.17	68.17
2010	1.8	0.971	85.35	79.52	80.25	77.87	68.45	67.27	60.76	76.58	73.76	N/A	46.84	65.91	84.27
2011	2.9	1.012	100.32	95.12	110.86	95.53	78.58	77.14	67.64	92.35	88.33	N/A	53.66	74.42	104.17
2012	1.5	1.001	96.56	94.21	111.71	86.60	74.42	73.13	63.64	84.51	81.38	N/A	29.04	66.70	100.84
2013	0.9	0.971	98.89	97.96	108.77	93.47	76.33	75.01	65.11	92.30	88.13	N/A	38.88	68.81	104.70
2014 Q1	1.4	0.906	98.68	98.68	107.87	99.45	83.76	83.42	73.46	98.08	94.62	N/A	81.56	73.38	113.29
2014 Q2	2.2	0.917	103.02	103.02	109.71	103.91	90.73	90.49	82.22	103.93	99.48	N/A	38.27	69.54	114.71
2014 Q3 (e)	2.1	0.919	97.17	97.17	103.61	97.04	84.33	83.76	77.39	95.66	91.30	N/A	35.30	66.51	101.67
2014 Q4	2.0	0.900	92.50	92.50	100.00	97.22	86.53	85.56	79.89	95.28	92.36	13.89	43.75	73.89	101.11
2014 Full Year	1.9	0.910	97.84	97.84	105.30	99.41	86.34	85.81	78.24	98.24	94.44	N/A	49.72	70.83	107.69
2015	2.0	0.900	90.69	92.50	102.50	97.22	82.64	81.67	73.96	95.28	92.36	13.98	48.61	73.89	104.03
2016	2.0	0.900	91.31	95.00	102.50	100.00	85.00	84.00	76.10	98.00	95.00	13.98	50.00	76.00	107.00
2017	2.0	0.900	89.52	95.00	102.50	102.78	87.36	86.33	78.24	100.72	97.64	14.84	51.39	78.11	109.97
2018	2.0	0.900	90.07	97.50	102.50	105.56	89.72	88.67	80.38	103.44	100.28	15.70	52.78	80.22	112.94
2019	2.0	0.900	88.31	97.50	102.50	105.56	89.72	88.67	80.38	103.44	100.28	16.56	52.78	80.22	112.94
2020	2.0	0.900	87.50	98.54	102.50	106.37	90.41	89.35	81.01	104.24	101.05	17.43	53.18	80.84	113.81
2021	2.0	0.900	87.50	100.51	103.38	108.49	92.22	91.13	82.64	106.32	103.06	18.15	54.24	82.45	116.08
2022	2.0	0.900	87.50	102.52	105.45	110.66	94.06	92.95	84.30	108.45	105.13	18.51	55.33	84.10	118.40
2023	2.0	0.900	87.50	104.57	107.56	112.87	95.94	94.81	85.98	110.61	107.23	18.88	56.44	85.78	120.77
2024+	2.0	0.900	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

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

Revised 2014-09-30

Table 2
GLJ Petroleum Consultants Ltd.
Natural Gas and Sulphur
Price Forecast
 Effective October 1, 2014

Year	NYMEX Henry Hub		Midwest	Alberta Plant Gate						Saskatchewan Plant Gate			British Columbia		Sulphur	Alberta
	Near Month	Contract	Price @ Chicago	AECO/NIT Spot		Spot		ARP	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast	Spot	FOB	Sulphur at Plant
	Constant	Then	Then	Then	Constant	Then	Station 2						Plant Gate	Vancouver	Gate	
	2014 \$	Current	Current	Current	2014 \$	Current	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/lt	CAD/lt
2004	7.40	6.18	6.13	6.54	7.54	6.30	6.31	6.41	6.48	6.44	5.21	6.56	6.41	62.99	38.61	
2005	10.57	9.00	8.24	8.73	9.97	8.48	8.30	8.28	8.36	8.64	7.45	8.22	8.04	63.50	33.77	
2006	8.04	6.99	6.93	6.52	7.24	6.29	6.57	6.37	6.67	6.42	6.04	6.58	6.40	55.07	19.27	
2007	8.02	7.12	6.83	6.45	7.02	6.23	6.20	5.87	6.18	6.35	6.52	6.40	6.16	81.66	42.03	
2008	9.82	8.90	8.91	8.16	8.75	7.94	7.88	7.83	8.07	8.04	6.47	8.21	7.99	497.39	488.64	
2009	4.49	4.16	4.05	3.99	4.09	3.79	3.85	3.24	3.87	3.83	3.80	3.90	3.70	57.06	24.57	
2010	4.72	4.40	4.53	4.01	4.06	3.78	3.77	3.31	3.96	3.85	4.13	3.78	3.31	88.94	48.26	
2011	4.25	4.03	4.21	3.62	3.61	3.42	3.46	2.84	3.57	3.58	3.90	3.33	3.18	217.16	171.93	
2012	2.89	2.83	2.92	2.40	2.26	2.21	2.25	1.65	2.31	2.26	2.70	2.30	2.12	201.03	157.91	
2013	3.76	3.72	3.81	3.18	2.99	2.96	2.98	2.60	3.09	3.10	3.71	3.14	2.94	105.74	74.02	
2014 Q1	4.73	4.73	8.16	5.70	5.43	5.43	4.82	7.54	5.10	5.62	5.60	5.29	5.09	119.37	81.72	
2014 Q2	4.58	4.58	4.78	4.68	4.44	4.44	4.43	3.80	4.60	4.60	4.39	4.44	4.25	147.31	109.67	
2014 Q3 (e)	3.94	3.94	4.15	4.01	3.78	3.78	4.43	3.15	4.49	3.91	3.87	3.81	3.61	160.86	125.04	
2014 Q4	4.00	4.00	4.10	4.22	3.99	3.99	3.99	3.08	4.09	4.14	4.10	4.12	3.92	150.00	116.67	
2014 Full Year	4.31	4.31	5.30	4.65	4.41	4.41	4.42	4.39	4.57	4.57	4.49	4.42	4.22	144.38	108.27	
2015	4.17	4.25	4.35	4.25	3.94	4.02	4.02	3.35	4.12	4.17	4.20	4.10	3.90	125.00	88.89	
2016	4.08	4.25	4.35	4.25	3.86	4.02	4.02	3.35	4.12	4.17	4.20	4.10	3.90	125.00	88.89	
2017	4.24	4.50	4.60	4.50	4.02	4.26	4.26	3.62	4.36	4.42	4.45	4.35	4.15	127.50	91.67	
2018	4.39	4.75	4.85	4.75	4.17	4.51	4.51	3.89	4.61	4.67	4.70	4.60	4.40	130.05	94.50	
2019	4.53	5.00	5.10	5.00	4.31	4.76	4.76	4.15	4.86	4.92	4.95	4.85	4.65	132.65	97.39	
2020	4.66	5.25	5.35	5.25	4.45	5.01	5.01	4.42	5.11	5.17	5.20	5.10	4.89	135.30	100.33	
2021	4.75	5.46	5.56	5.46	4.54	5.22	5.22	4.64	5.32	5.38	5.41	5.31	5.10	138.01	103.34	
2022	4.75	5.57	5.67	5.57	4.54	5.32	5.32	4.73	5.42	5.49	5.52	5.42	5.20	140.77	105.41	
2023	4.75	5.68	5.78	5.68	4.54	5.43	5.43	4.83	5.53	5.60	5.63	5.52	5.31	143.59	107.52	
2024+	4.75	+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/NIT Spot refers to the same-day spot price averaged over the period.

Revised 2014-09-30

Table 3
GLJ Petroleum Consultants Ltd.
International and Frontier
Price Forecast
 Effective October 1, 2014

Year	Inflation %	Bank of Canada Average Noon Exchange Rates			NYMEX WTI Near Crude Oil at Cushing Oklahoma		Light Louisiana Sweet Crude Oil		Mexican Mayan Crude Oil		Brent Blend Crude Oil FOB North Sea		Henry Hub Spot		Nova Scotia Goldboro		National Balancing Point (UK)	
		USD/CAD	CAD/GBP	CAD/EUR	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current
2004	1.8	0.770	2.384	1.556	41.38	53.65	40.23	52.08	31.12	40.44	38.02	49.29	6.18	8.02	5.62	7.32	4.76	6.13
2005	2.2	0.826	2.206	1.452	56.58	68.42	52.81	63.85	41.66	50.36	55.14	66.69	9.00	10.83	8.19	9.87	7.51	9.02
2006	2.0	0.882	2.090	1.369	66.22	75.08	63.89	72.41	52.16	59.13	66.16	75.01	6.99	7.94	6.20	7.04	8.34	9.48
2007	2.2	0.935	2.148	1.436	72.39	76.89	75.36	80.13	59.69	63.30	72.71	77.33	7.12	7.65	6.33	6.84	6.14	6.44
2008	2.4	0.943	1.961	1.548	99.64	104.27	102.31	107.04	83.90	87.62	98.30	102.81	8.90	9.36	8.32	8.77	11.41	12.12
2009	0.4	0.880	1.780	1.585	61.78	69.57	64.31	72.52	56.46	63.55	62.50	70.47	4.16	4.75	3.35	3.87	4.95	5.68
2010	1.8	0.971	1.593	1.367	79.52	81.85	82.78	85.20	70.29	72.35	80.25	82.58	4.40	4.53	3.83	3.96	6.39	6.58
2011	2.9	1.012	1.586	1.376	95.12	94.02	112.33	111.03	98.60	97.52	110.86	109.57	4.03	3.98	3.62	3.58	9.35	9.25
2012	1.5	1.001	1.584	1.285	94.21	94.11	111.77	111.62	99.60	99.50	111.71	111.57	2.83	2.82	2.72	2.72	9.38	9.37
2013	0.9	0.971	1.612	1.369	97.96	100.95	106.19	109.32	97.27	100.14	108.77	112.04	3.72	3.84	5.78	5.94	10.50	10.82
2014 Q1	1.4	0.906	1.826	1.512	98.68	108.91	99.08	109.37	89.10	98.33	107.87	119.04	4.73	5.22	19.24	21.20	10.02	11.05
2014 Q2	2.2	0.917	1.836	1.496	103.02	112.34	103.38	112.74	95.28	103.89	109.71	119.63	4.58	4.99	3.24	3.54	7.58	8.27
2014 Q3 (e)	2.1	0.918	1.815	1.442	97.17	105.77	100.78	109.69	91.49	99.60	103.61	112.78	3.94	4.29	1.90	2.07	7.01	7.64
2014 Q4	2.0	0.900	1.800	1.450	92.50	102.78	97.00	107.78	89.00	98.89	100.00	111.11	4.00	4.44	7.19	7.99	9.52	10.58
2014 Full Year	1.9	0.910	1.819	1.475	97.84	107.45	100.06	109.89	91.22	100.18	105.30	115.64	4.31	4.74	7.89	8.70	8.53	9.39
2015	2.0	0.900	1.800	1.450	92.50	102.78	99.43	110.47	91.22	101.36	102.50	113.89	4.25	4.72	6.45	7.17	9.76	10.85
2016	2.0	0.900	1.800	1.450	95.00	105.56	99.43	110.47	91.22	101.36	102.50	113.89	4.25	4.72	5.96	6.62	10.25	11.39
2017	2.0	0.900	1.800	1.450	95.00	105.56	99.43	110.47	91.22	101.36	102.50	113.89	4.50	5.00	5.71	6.35	10.25	11.39
2018	2.0	0.900	1.800	1.450	97.50	108.33	100.45	111.61	91.22	101.36	102.50	113.89	4.75	5.28	4.73	5.25	10.25	11.39
2019	2.0	0.900	1.800	1.450	97.50	108.33	100.45	111.61	91.22	101.36	102.50	113.89	5.00	5.56	4.97	5.53	10.25	11.39
2020	2.0	0.900	1.800	1.450	98.54	109.49	100.45	111.61	91.22	101.36	102.50	113.89	5.25	5.83	5.22	5.80	10.25	11.39
2021	2.0	0.900	1.800	1.450	100.51	111.68	101.31	112.57	92.01	102.23	103.38	114.87	5.46	6.07	5.43	6.03	10.34	11.49
2022	2.0	0.900	1.800	1.450	102.52	113.91	103.34	114.82	93.85	104.28	105.45	117.16	5.57	6.19	5.54	6.15	10.54	11.72
2023	2.0	0.900	1.800	1.450	104.57	116.19	105.41	117.12	95.73	106.36	107.56	119.51	5.68	6.31	5.65	6.27	10.76	11.95
2024+	2.0	0.900	1.800	1.450	+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	+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 2014-09-30