

**McDaniel & Associates Consultants Ltd.**  
**Summary of Price Forecasts**  
**January 1, 2004**

Year	WTI	Brent	Edmonton	Bow River	Heavy	Cromer	Edmonton	Edmonton	Edmonton	Edmonton	Inflation	US/CAN
	Crude Oil	Crude Oil	Light Crude Oil	Medium Crude Oil	Crude Oil	Medium Crude Oil	Cond. & Natural Gasolines	Propane	Butanes	NGL Mix		Exchange Rate
	\$/BBL	\$/BBL	\$/BBL	\$/BBL	\$/BBL	\$/Mmbtu	\$/Bbl	\$/Bbl	\$/Bbl	\$/Bbl	%	\$/\$/CAN
	(1)	(2)	(3)	(4)	(5)	(6)				(7)		
<b>History</b>												
1986	15.00		20.50	15.11	na		20.10	13.96	17.30	16.40	4.2	0.719
1987	19.30		24.30	20.79	na		23.80	9.98	16.80	15.10	4.4	0.755
1988	16.00		18.70	14.41	na		18.30	8.19	12.95	11.90	4.0	0.812
1989	19.60		22.20	18.09	na		21.80	8.14	10.35	11.60	5.0	0.844
1990	24.50		27.60	21.06	16.00		27.00	13.67	16.21	17.20	4.8	0.857
1991	21.40		23.40	15.07	9.05		22.90	11.91	15.25	15.30	5.6	0.873
1992	20.55		23.50	17.52	12.95		23.00	10.55	14.05	14.30	1.5	0.828
1993	18.60		21.90	16.70	13.30		21.50	14.10	13.55	15.40	1.8	0.775
1994	17.20		22.20	18.43	15.00		21.75	12.50	13.45	14.70	0.2	0.732
1995	18.45		24.25	20.80	17.25		23.76	13.90	13.80	15.80	2.2	0.729
1996	22.10		29.35	25.11	20.05		28.75	22.20	17.15	21.70	1.6	0.733
1997	20.55	19.09	27.80	21.22	14.40		31.10	18.60	19.05	21.30	1.6	0.722
1998	14.40	12.77	20.35	14.60	9.40	17.00	21.85	10.95	11.90	13.50	1.0	0.687
1999	19.25	17.86	27.60	23.35	19.65	25.47	27.60	15.45	17.73	18.70	1.7	0.673
2000	30.31	28.40	44.72	34.35	27.80	40.10	46.25	31.55	35.00	35.70	2.7	0.674
2001	25.97	24.42	39.60	25.07	18.05	32.22	42.42	29.15	28.45	31.60	2.6	0.646
2002	26.10	24.95	39.95	31.65	27.60	34.93	40.65	19.85	26.10	26.20	2.2	0.637
2003 (est.)	30.95	29.00	43.10	32.65	27.45	36.90	43.70	30.40	32.50	33.80	2.0	0.715
<b>Forecast</b>												
2004	29.00	27.50	37.70	27.70	22.70	32.20	38.45	25.60	24.90	27.90	2.0	0.750
2005	26.50	24.97	34.30	26.65	21.55	29.71	35.07	23.60	22.60	25.50	2.0	0.750
2006	25.50	23.94	33.00	26.24	21.56	28.84	33.78	22.40	21.80	24.50	2.0	0.750
2007	25.00	23.41	32.30	25.40	20.63	28.06	33.10	21.70	21.30	23.80	2.0	0.750
2008	25.00	23.38	32.30	25.26	20.39	27.97	33.11	21.40	21.30	23.70	2.0	0.750
2009	25.50	23.84	32.90	25.72	20.76	28.48	33.73	21.70	21.70	24.10	2.0	0.750
2010	26.00	24.31	33.50	26.18	21.11	29.00	34.34	21.90	22.10	24.50	2.0	0.750
2011	26.50	24.78	34.20	26.73	21.56	29.61	35.06	22.40	22.50	25.00	2.0	0.750
2012	27.00	25.24	34.80	27.18	21.91	30.11	35.68	22.80	22.90	25.40	2.0	0.750
2013	27.50	25.71	35.50	27.73	22.35	30.72	36.40	23.30	23.40	26.00	2.0	0.750
2014	28.10	26.27	36.20	28.28	22.79	31.32	37.11	23.80	23.90	26.50	2.0	0.750
2015	28.70	26.83	37.00	28.92	23.32	32.03	37.93	24.30	24.40	27.10	2.0	0.750
2016	29.30	27.40	37.80	29.56	23.85	32.73	38.75	24.80	24.90	27.60	2.0	0.750
2017	29.90	27.96	38.60	30.19	24.37	33.43	39.57	25.30	25.50	28.20	2.0	0.750
2018	30.50	28.52	39.30	30.72	24.79	34.02	40.29	25.70	25.90	28.70	2.0	0.750
2019	31.10	29.08	40.10	31.35	25.30	34.72	41.11	26.30	26.40	29.30	2.0	0.750
2020	31.70	29.64	40.90	31.98	25.80	35.41	41.93	26.80	27.00	29.90	2.0	0.750
2021	32.30	30.20	41.70	32.60	26.30	36.10	42.75	27.30	27.50	30.50	2.0	0.750
2022	32.90	30.76	42.40	33.12	26.69	36.69	43.47	27.80	28.00	31.00	2.0	0.750
2023	33.60	31.41	43.30	33.83	27.28	37.47	44.39	28.30	28.50	31.60	2.0	0.750
Thereafter	33.60	31.41	43.30	33.83	27.28	37.47	44.39	28.30	28.50	31.60	0.0	0.750

(1) West Texas Intermediate at Cushing Oklahoma 40 degrees API/0.5% sulphur

(2) North Sea Brent Blend 37 degrees API/1.0% sulphur

(3) Edmonton Light Sweet 40 degrees API, 0.5% sulphur

(4) Bow River Medium 25 degrees API/2.1% sulphur at Hardisty Alberta

(5) Heavy crude oil 12 degrees API at Hardisty Alberta (after deduction of blending costs to reach pipeline quality)

(6) Midale Cromer crude oil 29 degrees API, 2.0% sulphur

(7) NGL Mix based on 45 percent propane, 35 percent butane and 20 percent natural gasolines.

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**Summary of Natural Gas Price Forecasts**  
**January 1, 2004**

Year	U.S. Henry Hub Gas Price \$/Mmbtu	AECO Spot Price \$/GJ	Alberta Average Plantgate \$/Mmbtu	Aggregator Plantgate \$/Mmbtu	Alberta Spot Sales Plantgate \$/Mmbtu	Sask. Prov. Gas Plantgate \$/Mmbtu	Sask. Spot Sales Plantgate \$/Mmbtu	British Columbia CanWest Plantgate \$/Mmbtu	British Columbia CanWest Wellhead \$/Mcf	B.C. Spot Sales Plantgate \$/Mmbtu
(1)										
<b>History</b>										
1986	1.75	-	2.35	2.59	-	-	-	-	-	-
1987	1.50	-	1.64	1.82	-	-	-	-	-	-
1988	1.85	-	1.44	1.66	1.21	-	-	-	-	-
1989	1.68	-	1.47	1.57	1.28	-	-	-	-	-
1990	1.67	-	1.45	1.64	1.20	-	-	-	-	-
1991	1.54	-	1.18	1.31	0.97	-	-	-	-	1.13
1992	1.79	-	1.22	1.30	1.04	-	-	1.47	1.11	1.10
1993	2.13	-	1.89	1.60	2.16	-	-	1.73	1.37	2.13
1994	1.92	1.88	1.83	1.81	1.86	-	-	1.81	1.45	1.87
1995	1.62	1.12	1.18	1.23	1.02	-	-	1.29	0.90	1.12
1996	2.50	1.39	1.54	1.63	1.34	-	-	1.51	1.14	1.47
1997	2.59	1.71	1.84	1.86	1.67	-	-	1.78	1.43	1.98
1998	2.06	1.96	1.90	1.88	1.84	1.84	-	1.94	1.59	2.00
1999	2.28	2.79	2.60	2.46	2.78	2.78	2.96	2.52	2.19	2.77
2000	4.31	5.32	5.20	4.57	5.38	5.38	4.83	5.27	5.05	4.88
2001	3.98	5.15	5.25	5.25	5.25	5.25	6.15	6.75	6.58	6.30
2002	3.36	3.86	3.89	3.80	3.91	3.91	3.90	3.63	3.35	3.93
2003 (est.)	5.50	6.30	6.35	6.00	6.50	6.25	6.50	5.70	5.50	6.30
<b>Forecast</b>										
2004	5.00	5.50	5.65	5.65	5.65	5.80	5.80	5.55	5.35	5.65
2005	4.65	5.19	5.30	5.30	5.30	5.45	5.45	5.20	5.00	5.30
2006	4.30	4.87	4.95	4.95	4.95	5.15	5.15	4.85	4.60	4.95
2007	4.08	4.68	4.75	4.75	4.75	4.95	4.95	4.65	4.40	4.75
2008	3.97	4.53	4.60	4.60	4.60	4.80	4.80	4.50	4.25	4.60
2009	4.00	4.57	4.65	4.65	4.65	4.85	4.85	4.55	4.25	4.65
2010	4.03	4.60	4.65	4.65	4.65	4.85	4.85	4.55	4.25	4.65
2011	4.11	4.69	4.75	4.75	4.75	4.95	4.95	4.65	4.35	4.75
2012	4.19	4.78	4.85	4.85	4.85	5.05	5.05	4.75	4.45	4.85
2013	4.27	4.87	4.95	4.95	4.95	5.15	5.15	4.85	4.55	4.95
2014	4.36	4.97	5.05	5.05	5.05	5.25	5.25	4.95	4.65	5.05
2015	4.45	5.08	5.15	5.15	5.15	5.35	5.35	5.05	4.75	5.15
2016	4.55	5.19	5.25	5.25	5.25	5.45	5.45	5.15	4.85	5.25
2017	4.64	5.29	5.35	5.35	5.35	5.55	5.55	5.25	4.90	5.35
2018	4.73	5.40	5.45	5.45	5.45	5.65	5.65	5.35	5.00	5.45
2019	4.83	5.51	5.60	5.60	5.60	5.85	5.85	5.50	5.15	5.60
2020	4.92	5.61	5.70	5.70	5.70	5.95	5.95	5.60	5.25	5.70
2021	5.01	5.72	5.80	5.80	5.80	6.05	6.05	5.70	5.35	5.80
2022	5.11	5.82	5.90	5.90	5.90	6.15	6.15	5.80	5.45	5.90
2023	5.21	5.95	6.00	6.00	6.00	6.25	6.25	5.90	5.55	6.00
Thereafter	5.21	5.95	6.00	6.00	6.00	6.25	6.25	5.90	5.55	6.00

(1) This forecast also applies to direct sales contracts and the Alberta gas reference price used in the crown royalty calculations.