

McDaniel & Associates Consultants Ltd.
Summary of Price Forecasts
January 1, 2005

Year	WTI Crude Oil \$/BBL (1)	Brent Crude Oil \$/BBL (2)	Edmonton Light Crude Oil \$/BBL (3)	Alberta Bow River Medium Crude Oil \$/BBL (4)	Alberta Heavy Crude Oil \$/BBL (5)	Sask Cromer Medium Crude Oil \$/BBL (6)	Edmonton Cond. & Natural Gasolines \$/Bbl	Edmonton Propane \$/Bbl	Edmonton Butanes \$/Bbl	Edmonton NGL Mix \$/Bbl (7)	Inflation %	US/CAN Exchange Rate \$/CAN
History												
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	31.05	28.85	43.15	32.68	27.40	37.57	44.10	30.15	33.45	34.10	2.0	0.716
2004 (est.)	41.40	38.60	52.70	37.90	30.50	46.40	56.10	33.40	39.20	40.00	2.0	0.770
Forecast												
2005	40.00	37.50	47.20	35.10	27.90	41.40	48.00	30.40	34.60	35.40	2.0	0.830
2006	37.00	35.00	43.60	34.60	28.00	38.20	44.40	28.50	31.90	32.90	2.0	0.830
2007	34.00	32.40	39.90	31.70	25.60	35.00	40.70	26.40	29.20	30.20	2.0	0.830
2008	32.90	31.30	38.60	30.60	24.70	33.80	39.40	25.60	28.30	29.30	2.0	0.830
2009	33.60	32.00	39.40	31.30	25.20	34.50	40.20	26.10	28.90	29.90	2.0	0.830
2010	34.30	32.60	40.20	32.00	25.80	35.30	41.00	26.60	29.40	30.50	2.0	0.830
2011	35.00	33.30	41.00	32.60	26.30	36.00	41.80	27.30	30.00	31.10	2.0	0.830
2012	35.70	34.00	41.90	33.30	26.80	36.70	42.80	27.80	30.70	31.80	2.0	0.830
2013	36.40	34.60	42.70	33.90	27.30	37.40	43.60	28.30	31.30	32.40	2.0	0.830
2014	37.10	35.30	43.50	34.60	27.90	38.10	44.40	28.80	31.90	33.00	2.0	0.830
2015	37.80	36.00	44.30	35.20	28.40	38.90	45.20	29.40	32.50	33.60	2.0	0.830
2016	38.60	36.70	45.30	36.00	29.00	39.70	46.20	30.10	33.20	34.40	2.0	0.830
2017	39.40	37.50	46.20	36.70	29.60	40.50	47.20	30.70	33.80	35.10	2.0	0.830
2018	40.20	38.30	47.10	37.50	30.20	41.30	48.10	31.40	34.50	35.80	2.0	0.830
2019	41.00	39.00	48.10	38.20	30.80	42.20	49.10	32.00	35.20	36.50	2.0	0.830
2020	41.80	39.80	49.00	38.90	31.40	43.00	50.00	32.50	35.90	37.20	2.0	0.830
2021	42.60	40.50	50.00	39.70	32.00	43.80	51.00	33.10	36.60	37.90	2.0	0.830
2022	43.50	41.40	51.00	40.50	32.70	44.70	52.10	33.90	37.40	38.80	2.0	0.830
2023	44.40	42.30	52.10	41.40	33.30	45.60	53.20	34.60	38.20	39.60	2.0	0.830
2024	45.30	43.10	53.10	42.20	34.00	46.60	54.20	35.40	38.90	40.40	2.0	0.830
Thereafter	45.30	43.10	53.10	42.20	34.00	46.60	54.20	35.40	38.90	40.40	0.0	0.830

(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, 2005

Year	U.S. Henry Hub Gas Price \$/Mmbtu	Alberta AECO Spot Price \$/GJ	Alberta Average Plantgate \$/Mmbtu	Alberta 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)										
History										
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	5.49	6.32	6.39	6.00	6.51	6.23	6.38	5.70	5.50	6.32
2004 (est.)	5.90	6.20	6.35	6.35	6.35	6.25	6.55	5.25	5.45	6.40
Forecast										
2005	6.05	6.10	6.30	6.30	6.30	6.45	6.45	6.20	6.05	6.30
2006	5.70	5.85	6.00	6.00	6.00	6.15	6.15	5.90	5.70	6.00
2007	5.30	5.55	5.65	5.65	5.65	5.85	5.85	5.55	5.35	5.65
2008	5.10	5.40	5.50	5.50	5.50	5.70	5.70	5.40	5.15	5.50
2009	5.20	5.50	5.60	5.60	5.60	5.80	5.80	5.50	5.25	5.60
2010	5.30	5.60	5.70	5.70	5.70	5.90	5.90	5.60	5.35	5.70
2011	5.45	5.80	5.90	5.90	5.90	6.10	6.10	5.80	5.55	5.90
2012	5.55	5.90	6.00	6.00	6.00	6.20	6.20	5.90	5.65	6.00
2013	5.65	5.95	6.10	6.10	6.10	6.30	6.30	6.00	5.75	6.10
2014	5.75	6.05	6.20	6.20	6.20	6.40	6.40	6.10	5.85	6.20
2015	5.85	6.20	6.35	6.35	6.35	6.55	6.55	6.25	6.00	6.35
2016	6.00	6.35	6.50	6.50	6.50	6.70	6.70	6.40	6.15	6.50
2017	6.10	6.45	6.60	6.60	6.60	6.80	6.80	6.50	6.25	6.60
2018	6.25	6.65	6.80	6.80	6.80	7.00	7.00	6.70	6.45	6.80
2019	6.35	6.75	6.90	6.90	6.90	7.10	7.10	6.80	6.50	6.90
2020	6.50	6.85	7.00	7.00	7.00	7.25	7.25	6.90	6.60	7.00
2021	6.60	6.95	7.10	7.10	7.10	7.35	7.35	7.00	6.70	7.10
2022	6.75	7.15	7.30	7.30	7.30	7.55	7.55	7.20	6.90	7.30
2023	6.90	7.30	7.45	7.45	7.45	7.70	7.70	7.35	7.05	7.45
2024	7.05	7.50	7.65	7.65	7.65	7.90	7.90	7.55	7.25	7.65
Thereafter	7.05	7.50	7.65	7.65	7.65	7.90	7.90	7.55	7.25	7.65

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